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EIGHT PAGES FROM SUNDAY'S
The New York Times
THE WEEK IN REVIEW
INSIDE TODAY

Rift in settlements grows deeper

By ROBERT ROSENERG
Jerusalem Post Reporter

The arrest of Gush Emunim Rabbi Moshe Levinger cast a long shadow last night over a meeting in the Etzion Bloc of leaders of the settlement movement who were to argue long into the night about the meaning of the Kiryat Arba founder's arrest and the suspected existence of a Jewish underground.

The meeting at Yad Shapiro, near the Etzion Bloc Regional Council offices, was originally slated for Kibbutz Kfar Etzion. But members of the kibbutz opposed holding the meeting at the kibbutz, arguing that Gush Emunim had not adequately condemned the suspected underground. Nobody from the Etzion Bloc has been arrested in the case. Some 50 settlement leaders from the Golan, Judea, Samaria and the Gaza District attended last night's meeting, which was closed to the press.

Meanwhile, at police headquarters in Jerusalem's Russian Compound, Levinger was held in solitary confinement, except for meetings with his interrogators and occasional "confrontations" with other suspects who originally brought up the rabbi's name in their statements to the investigators.

He can expect to face a judge today for remand, sources in Jerusalem told *The Jerusalem Post*, "unless he starts cooperating."

Levinger, 48, is suspected of having knowledge of the alleged underground's activities. The investigators are trying to clarify if he had previous knowledge of the suspected terrorist activities of the group, which includes his son-in-law.

Such knowledge, if unreported to the police, would make him liable for prosecution.

A visitor to Levinger's Hebron home reported yesterday that his wife Miriam explained to one of the youngest of their 11 children that "one should remember he was arrested by Jews and not by our enemies."

His arrest late Sunday night plunged many of the ideologically oriented settlements, particularly Kiryat Arba and the Jews in Hebron, into gloom yesterday.

Levinger, who spearheaded the settlement movement's efforts starting Pessah 1968 with a stay at the

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Gush Emunim leader Benny Katzover shakes hands with Sephardi Chief Rabbi Mordechai Eliahu while Ashkenazi Chief Rabbi Avraham Shapiro and other Gush Emunim leaders look on at a meeting in Jerusalem yesterday he discuss the crisis facing the movement.
(Rahamim Israeli)

Israelis in Morocco feel 'disappointed'

Jerusalem Post Staff and agencies

Israeli participants yesterday expressed disappointment with the World Congress of Moroccan Jews in Rabat following lack of direct contacts with Moroccan leaders and lack of any reference to Israel in official Moroccan statements.

In Rabat, Moroccan officials reported that King Hassan II was due to receive the 35-member official Israeli delegation to the congress in an unprecedented audience at the royal palace, but the time for the meeting was not disclosed.

The Syrian ambassador to Rabat was recalled yesterday evening by Damascus for consultations in protest against the congress of Moroccan Jews, according to a Kol Yisrael news broadcast last night.

Some of the 11 Knesset members in Rabat were reported yesterday to be disappointed with the failure of high-ranking Moroccan officials to make direct reference to the State of Israel in their speeches, and with the description of Israelis as "Moroccan Jews from abroad."

Persian Gulf newspapers yesterday gave wide coverage – and sharp criticism – to the World Congress of Moroccan Jews in Rabat, calling it "the beginning of a new stage in the Camp David process."

An editorial in the radical Kuwaiti daily *Al-Watan* yesterday said, "It is incredible to see Morocco sponsor the conference at the same time it chairs the (45-state) Islamic Conference Organization and the (ICO's) Jerusalem committee."

Another Kuwaiti paper, *Al-Kabas*, said, "Israel is preparing in Rabat the last chapter of the Camp David process...Between Morocco's good intentions and Israeli's bad intentions, the second stage of Camp David will be born."

Alignment-Labour Knesset Member Yossi Sarid, however, took a more optimistic view of the conference, saying King Hassan "could play a key role in getting the Palestinians and Jordan to join the peace process, as he did in helping to arrange President Sadat's visit to Jerusalem."

Sarid said the Israeli delegation's visit had no specific political aim but was a "tentative step towards peace in the Middle East by promoting a direct dialogue between Arabs and Jews."

But Sarid also said he believed one reason Hassan agreed to let the Israelis come to Morocco was to create a positive impression in the U.S., in order to get more economic and political support from Washington.

In Jerusalem, MK Geula Cohen (Tehiya) submitted a parliamentary question to Prime Minister Yitzhak Shamir asking whether MK Rafael Edri (Alignment-Labour), leader of the Israeli delegation to Rabat, had invited King Hassan to visit Israel with the blessings of the government.

Cohen noted in her question that Morocco does not recognize Israel.

Rauff dies—killed 250,000 Jews in mobile gas units

SANTIAGO (Reuter). – Former German SS colonel Walter Rauff, wanted to face war crimes trial for the deaths of hundreds of thousands of Jews in Hitler's mobile gas chambers during World War II, died yesterday in Chile, his haven for 25 years, a hospital statement said.

The Clinica Alemana said Rauff, 77, died in his Santiago home after a "long and painful lung illness" – a common euphemism here for cancer. A doctor from the hospital certified his death.

A new campaign to bring Rauff to trial for war crimes in his native Germany was launched a few months ago, with formal requests for him to be expelled from Chile from the governments of the German Federal Republic, France, Britain, the U.S. and Israel and from the European Parliament

The military government of President Augusto Pinochet consistently turned down the requests, saying that a 1963 Supreme Court ruling against his extradition to West Germany had settled the matter.

But Nazi-hunters Simon Wiesenthal and Serge and Beate Klarsfeld continued to press for him to stand trial, saying that Rauff was one of the three most-wanted Nazi war criminals still at large.

They hoped that Chile would follow the example of neighbouring Bolivia, which last year expelled Nazi Klaus Barbie, who is now awaiting trial in France for crimes allegedly committed there during the war.

The most wanted war criminal still free is Dr. Josef Mengele, the "angel of death" who conducted many of the infamous "selections" in which people were sent to their death at Auschwitz and carried out cruel genetic experiments on Jews at that camp.

Rauff was responsible for the development and use of mobile gas chambers known as "Black Ravens," in which exhaust fumes were used to kill people locked inside.

Documents found by Nazi-hunters say the vans were used to kill 250,000 people.

Ministers approve five West Bank settlements

By JOSHUA BRILLIANT
Jerusalem Post Reporter

The Ministerial Settlement Committee yesterday approved the establishment of five new settlements in Judea and Samaria.

Some are to be established by the World Zionist Organization's settlement department and some by private groups. Hachlili ("Reddish" in Hebrew) will be set up on a mountain ridge some three kilometres southwest of Hebron. Initially it is to house about 40 families.

The committee also decided that the Nahal outpost at Migdalim (Towers), some six kilometres west of Ma'aleh Ephraim, will become a civilian settlement.

The co-chairman of the WZO's settlement department, Matityahu Drobles, said it will be impossible to establish these settlements unless the Finance Ministry provides an additional budget for them.

The committee yesterday gave the green-light to private entrepreneurs to build settlements in western Samaria, near the former armistice lines.

Neria will be established near Elkana, northeast of Petah Tikva. Ya'arit will be set up at Tzur Natan.

A fifth settlement – Adam – built by the Housing Ministry as part of metropolitan Jerusalem will rise in the Jaba (Geva) area, eight kilometres north of the capital. The settlement is to house a group of former residents from poor neighbourhoods in the capital who squatted at the ruins of the Good Samaritanian off the Jerusalem-Jericho road several months ago. The group agreed to move near KfarAdumim temporarily and yesterday the committee decided on Adam as the site for their permanent settlement.

A well placed source yesterday leaked to reporters the text of a letter that WZO executive Chairman Arye Dulzin wrote to the committee's acting chairman, Yuval Ne'eman. The letter was writen after Settlement Department co-chairman Ra'anan Weitz walked out of a meeting criticing decisions on settlement. Dulzin wrote that a Weitz's behavior had been "undignified."

Dulzin stated in his letter that WZO accepts "that placement of settlements across the Green Line will be carried out in accordance with the policy of the government of Israel. This is how we have acted and I have no doubt that this will also be our policy in the future," he wrote.

In faction dispute

PM to La'am leaders: Settle it yourselves

By JOSHUA BILLIANT
Jerusalem Post Reporter

Health Minister Eliezer Shostak and Knesset Member Ehud Olmert yesterday asked Prime Minister Yitzhak Shamir to settle the dispute over who heads the Likud's La'am faction, but Shamir advised them to settle the matter themselves.

The 73-year-old Shostak and 38-year-old Olmert had gone to the prime minister after their party – the smallest faction in the Likud – split on Sunday evening. Two thirds of its executive elected Olmert for the number one slot and MK Yigal Cohen for the second. But other La'am members left the meeting before the vote began and in a show of hands elected Shostak number one and Olmert second. Both places guarantee safe Knesset seats, according to the present Likud agreement.

At a brief meeting with the prime minister, Shostak and Olmert said they would accept his ruling.

However, Shamir advised the two to settle the matter among themselves and appear united, an aide to the prime minister told *The Jerusalem Post*.

Olmert told *The Post* that Shamir had said he would rule if both informed him – in writing – that they would accept his verdict.

Shostak and Olmert opposed the step. Olmert explained that a quick end had to be put to the dispute or the Likud partners would seize the opportunity to cut down the faction's representation. He was clearly referring to allegations in Herut that tiny La'am was overrepresented.

Gahal partners: no agreement

Jerusalem Post Reporter

Herut and Liberal ministers and senior Knesset members late last night appeared to be facing considerable difficulties in their talks over their partnership in the Likud.

The first round of talks in the cabinet room in the Knesset lasted some six hours and, according to one report, Herut warned it will run alone unless an agreement is reached.

No agreement had been reached by late last night and the talks were still in progress at midnight in a Jerusalem hotel, sources said.

Sources in the Likud said the discussions covered a wide range of topics including moves to unite the Likud, the joint platform and demands that the Liberals agree to a smaller share of the Likud list.

'I'm quitting job,' says winner of $5.5m.

WILLISTON PARK, New York (AP). – Manicurist Augusta Dibenedetto told reporters yesterday she no longer will be grooming nails now that she is one of four winners sharing New York's $22.1 million lotto prize.

"I hate to let you know this way, but I'm quitting my job," Dibenedetto said at a news conference that served as the first word to her employers.

Dibenedetto, who has two children and lives in the New York suburb of Valley Stream, appeared at a news conference at the lottery division's office in Williston Park.

The manicurist was the first of four lottery winners to come forward to claim her share of the biggest jackpot in North American history.

Each of the four will get $5,525,000 in 21 annual installments of $263,095, less 20 per cent taken out by the government to help cover taxes. Their net profit will be $4,420,000 or $210,476 a year, lottery spokesman George Yamin said. The first payment will be made two weeks after the winning tickets are verified, he added.

In all, Yamin said, 153,480 people won cash prizes in the game, which drew the largest response in lotto history.

Sales of the $1 tickets were $24.4 million, compared to an average of about $6.7 million for previous lotteries.

Killing continues in Beirut while ministers talk stability

BEIRUT (AP). – A single shell killed one child and wounded 21 others at a Beirut school yesterday as sporadic artillery exchanges hit the capital.

Prime Minister Rashid Karameh vowed his new cabinet would work on restoring peace to the battered nation, and announced that a ministerial committee of Christian and Moslem cabinet members yesterday drafted a policy statement on restoring stability that was to be submitted to a full cabinet session tomorrow for approval.

Shortly before Karameh presided over the four-man committee meeting, intermittent clashes along Beirut's Green Line escalated into mortar barrages. One shell crashed into the playground of the Annunciation Greek Orthodox school in East Beirut's Ashrafiya neighbourhood, killing one pupil and wounding 21 others.

It was the third consecutive day of random bombardment in Beirut. Police said 19 people were killed and more than 70 wounded in shelling of both Moslem and Christian sectors of the city over the weekend.

"This increasing bloodletting and destruction is unacceptable and we can no more remain silent toward it," Karameh said after the two-hour

(Continued on Page 2, Col. 1)

April price index today

Jerusalem Post Reporter

Finance Ministry officials estimated that the Consumer Price Index rose by about 18 per cent last month. The index will be published today by the Central Bureau of Statistics.

April's rate of inflation will be one of the highest ever registered. The highest leap in the index took place last October, when it rose by 21.1 per cent.

The ministry hopes that after April's index it will be able to show a drop in inflation. Acccording to its calculations, the inflation rate for May will be about 10 per cent. June and July are months that usually register very low rates of price increases.

Shamir to make political statement

Jerusalem Post Reporter

Prime Minister Yitzhak Shamir will make a political statement in the Knesset next Monday, Speaker Menahem Savidor announced yesterday. The address could include references to the Jewish underground arrests, it is believed.

The following day, the House will mark the 75th anniversary of the founding of Tel Aviv. Today, the Knesset is to hear Industry and Trade Minister Gideon Part review his ministry's activities, as part of the State Budget discussions.

No one hurt in convoy attack

Jerusalem Post reporter

METULLA. – Light arms fire was directed at an Israeli Defence Forces convoy south of Ansariya in the central sector of Lebanon yesterday afternoon. There were no casualties.

Also yesterday, South Lebanon commander Antoine Lahad handed over the main administration building in Sidon to the civilian governor of the area, who was appointed by the Beirut government.

Until now, the building had been occupied by the IDF's civilian aid unit.

Kessar to take over at the Histadrut today

By ROY ISACOWITZ
Jerusalem Post Reporter

TEL AVIV. – The leadership of the Histadrut will change hands today, when outgoing Secretary-General Yeroham Meshel makes way for his designated successor, Yisrael Kessar.

The election of the new secretary-general will be held in the Histadrut executive, where the Labour Party holds an absolute majority. Kessar is the Labour candidate and is therefore guaranteed election.

Kessar has been deputy secretary-general and chairman of the Histadrut's Trade Union Department for the past seven years.

Meshel served as secretary-general during the same period. On his retirement from the Histadrut he will become chairman of the Lavon Institute, a Histadrut research institute.

Soviet bloc plan sports events as Olympics boycott 'irrevocable'

MOSCOW (AP). – The Soviet Union's decision to pull out of the Los Angeles Summer Olympics is "irrevocable," the nation's top sports official said yesterday.

Marat Gramov, head of the National Olympic Committee and the Government Sports Committee, told a news conference the Soviet Union decided to boycott the 1984 summer games after an April 27 meeting in Washington in which a U.S. State Department official "flatly rejected" all Soviet complaints about the Olympics preparations.

"This decision of ours is irrevocable," he said. "Things were analyzed in great detail."

Blaming the Soviet move on the administration of U.S. President Ronald Reagan, Gramov said the Soviets decided to withdraw "after it became clear that the political ambitions of the White House are placed higher than Olympic ideals."

In Washington, President Ronald Reagan said there's nothing he can do to bring the Soviets to the summer Olympic games and said the Soviet-led boycott of the games "is not a government relations problem."

In Warsaw, Polish sports officials said yesterday that the Soviet bloc is preparing to sponsor sports events in various nations to substitute for Los Angeles Olympic events.

Sports officials from the Soviet Union and its allies met last week to discuss organizing a "counter-Olympics," but decided instead to divide events among Communist nations, said a Polish sports journalist.

Under the plan, Poland would host the boxing competition in the western city of Poznan and the pentathlon and fencing events in Dzonkowo, southwest Poland, said other officials in the government sports hierarchy.

One sports official, who like the other sources spoke on condition he not be identified, said the competitions would not be held at the same time as the Los Angeles event to avoid conflicts with the Olympic charter, which specifically forbids "counter-games."

The sources were unable to say where other competitions might be held.

Afghanistan, the focal point of the U.S.-led Olympic boycott of 1980, became the eighth country to withdraw from the games.

CTK, Czechoslovakia's official news agency, said in a Kabul-datelined report that Afghanistan was joining the Soviet Union, Bulgaria, the German Democratic Republic, Mongolia, Vietnam, Laos and Czechoslovakia because "U.S. authorities have launched a campaign that threatens the security of athletes and is at variance with the principles of the Olympic charter."

However, a leading sports official in Rumania said this country's athletes were continuing their training for the games.

The Rumanian Olympic committee planned to meet May 22 to make an official decision on participation, said Petre Focsaneanu, head of the international department of the Rumanian Sports Council.

The State Department in Washington yesterday disputed Gramov's statement that all Soviet complaints about Olympic preparations were "flatly rejected" at an April 27 meeting in Washington.

State Department counsellor Edward Derwinski said he was puzzled by Gramov's account.

Derwinski, who met with Soviet Embassy counsellor Victor Isakov that day, said in a telephone interview he emphasized U.S. willingness

(Continued on Page 2, Col. 3)

Tunik slams training in IDF division

Jerusalem Post Reporter

In his report published yesterday, State Comptroller Yitzhak Tunik severely criticized training in one of the Israel Defence Forces' reserve divisions. Commanders of two of the division's four brigades, as well as their deputies, did not attend battalion commanders' courses, he wrote.

Seven battalion commanders or deputy battalion commanders and 27 company commanders never passed a company commanders' course, he added.

Soldiers in the division were poorly trained too, he reported. One brigade did not receive adequate training in night fighting and in fighting over open terrain.

The brigade's reconnaisance company had only one day instead of a fortnight's training on armoured personnel carriers, and a company exercise was cancelled because of a shortage of jeeps, Tunik noted.

Also criticized was the School for Anti-Aircraft Gunners, where about 25 per cent of the officers lacked the required capabilities, he wrote.

Tunik also stated in his report that 25 per cent of the women who reached military age were excused from duty in the IDF on religious grounds.

Nearly all the rules of orderly management seem to have been contravened in the development of Israel's Merkava tank, the comptroller said, conceding, however that it resulted in the production of an advanced weapons system that performed successfully in the Lebanon war.

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congratulates
Mr. LUDWIG JESSELSON
Chairman of its International Board of Directors
on being awarded an Honorary Ph.D.
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His concern and compassion and outstanding philanthropy
in all areas of Jewish life, learning and healing
make us proud to be associated with him.

NEWS ANALYSIS/Meir Merhav

One more strike against Aridor

The state comptroller's 34th annual report, covering the fiscal year 1982/83, was released for publication yesterday. But because it appeared during the election campaign, State Comptroller Yitzhak Tunik announced he would not hold his customary press conference.

The report opens, as always, with a chapter on the Treasury's financial operations, since these reflect the implementation of government policy as a whole. An introductory survey comparing the government's objectives with its performance amounts to a condemnation of the economic policies pursued by former finance minister Yoram Aridor and confirms a near-universal opinion: contrary to the declared aims of that policy, inflation was not slowed down, the balance of payments deteriorated, and government expenditure was not reduced. The government deficit was 50 per cent higher than originally planned, and was financed largely by short-term borrowing of foreign currency from the banks.

The government's declared intention of cutting its civilian expenditure to finance the cost of the Lebanon war – mainly by reducing the subsidies to basic food products and services – was not implemented. On the contrary, the report points out that in the second half of fiscal 1982/83, Aridor's policy of trying to repress inflation by holding down the rate of devaluation and price increases of government-controlled goods and services to 5 per cent a month led to a significant increase in government subsidies.

The subsidies ultimately returned, the report points out, to the level of 1981. Instead of the IS29 billion budgeted for these subsidies originally, the outlay rose to IS34.3b. This does not include a nearly 400 per cent increase in export subsidies – from IS2b. to IS9.5b. – as a result of the same lag in devaluation of the shekel behind domestic inflation.

On the revenue side, the government also fell short of its declared objectives. Total revenue, from taxes and loans, except the advance from the central bank that was budgeted to cover the deficit, was IS432b. in the original estimates, but this was subsequently revised to IS522.7b. Actual revenue was IS472.8b. – nearly IS50b. less than expected.

While tax revenue fell short of budget estimates by only IS4.6b., and was 19 per cent higher in real terms than in fiscal 1981, the revenue from loans, both foreign and domestic, was IS45.3b. less than forecast in the revised budget. The gap was largely financed by short-term borrowing and by drawing down current financial assets.

The comptroller's report is sharply critical of amendments in the budget law that have reduced parliamentary control over the budget. Chief among these amendments – first introduced three years ago – is paragraph 3 of that law, which permits the government to increase its expenditure when there is additional revenue. The amendment not only has been used to cover extra expenditures arising from nominal increases in revenue due to inflation, but also has been applied to revenue obtained from additional borrowing.

Much of the comptroller's critic-

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The weather at major Swissair destinations

14.5.84

	MIN C	MIN F	MAX C	MAX F	
AMSTERDAM	6	43	15	59	Cloudy
BRUSSELS	6	43	14	57	Clear
BUENOS AIRES	9	32	12	54	Clear
CHICAGO	8	46	22	72	Clear
COPENHAGEN	4	39	18	64	Clear
FRANKFURT	8	46	9	48	Rain
GENEVA	7	45	12	54	Cloudy
HELSINKI	3	37	13	55	Clear
HONG KONG	25	77	28	82	Cloudy
JOHANNESBURG	8	46	21	70	Clear
LISBON	12	54	19	66	Clear
LONDON	7	45	16	61	Cloudy
MADRID	6	43	10	50	Rain
MONTREAL	2	36	15	59	Cloudy
NEW YORK	12	54	24	75	Cloudy
OSLO	3	37	18	64	Clear
PARIS	8	46	11	52	Rain
RIO DE JANEIRO	21	70	32	90	Cloudy
SAO PAULO	18	64	27	81	Cloudy
STOCKHOLM	4	39	17	63	Clear
TOKYO	11	52	18	64	Cloudy
TORONTO	5	41	8	46	Rain
VIENNA	8	46	10	50	Cloudy
ZURICH	7	45	12	54	Cloudy

*For the latest weather conditions contact Swissair.

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THE WEATHER

Forecast: Clear to partly cloudy.

	Yesterday's Humidity	Yesterday's Min-Max	Today's Max
Jerusalem	44	12–22	24
Golan	32	11–24	25
Nahariya	–	—	—
Safad	69	11–22	23
Haifa Port	63	18–23	24
Tiberias	35	17–30	29
Nazareth	39	14–23	24
Afula	47	15–26	27
Shomron	41	13–23	25
Tel Aviv	66	18–23	25
B-G Airport	50	17–25	27
Jericho	—	18—	—
Gaza	65	18–22	23
Beersheba	30	16–26	28
Eilat	13	23–34	34

SOCIAL & PERSONAL

Jerusalem Mayor Teddy Kollek on Sunday received an honorary doctorate from the (Conservative) Jewish Theological Seminary of America in New York.

West German Minister of Science and Technology Heinz Riesenhuber visited the Hebrew University of Jerusalem on Sunday, where he met with President Don Patenkin, Vice President for Development and Research Michael Ottolenghi and other leading university scientists. A number of West German-Israel joint scientific projects were reviewed.

Former Histadrut Teachers' Union head Shalom Levin and former Education and Culture Ministry official Yael Posner on Sunday night received the Tel Aviv municipality's education prize for their life's work.

BEIRUT

(Continued from Page One)

committee meeting at the Military Tribunal Building in the no-man's land of the museum crossing, the only open road between East and West Beirut.

The army command issued a communique contending that its troops were not firing pending the outcome of contacts by a four-party security committee in charge of supervising the civil war truce. The committee includes representatives from the main factions in the war.

Fadi Frem, commander of the Christian Lebanese Forces militia, warned that his men would retaliate if shelling of Christian areas resumed.

Egyptians here to study desert-farming methods

By LIORA MORIEL
Jerusalem Post Reporter

BEERSHEBA. – Two Egyptians are here to study Israeli methods of desert farming, *The Jerusalem Post* has learned.

Israel and Egypt have a joint five-year project funded by the U.S., among other things to find ways of growing the "Moneymaker" tomato in brackish water.

But scientists here are reluctant to talk about their Egyptian guests, possibly because of the strained relations between the two countries.

Mandelbaum supports Treasury price policy

By AVI TEMKIN
Post Economic Reporter

Support for the Treasury's new price policies was expressed yesterday by Moshe Mandelbaum, governor of the Bank of Israel. Speaking at a meeting of the ministerial spokesmen at the Information Centre, Mandelbaum said that he favoured increasing prices of subsidized goods according to monthly inflation forecasts, and not according to inflation in the previous month.

Mandelbaum was referring to the government's decision to increase prices of subsidized goods by 9 per cent early this month, and not by 20 per cent as would have been done under the Treasury's former policy.

In the last few months, Mandelbaum has criticized the government's economic policy, but yesterday he decided to show his support for Finance Minister Yigal Cohen-Orgad.

He said the balance-of-payments situation is improving as a result of the contraction in the public's financial wealth in the last quarter of 1983, and said that government spending is being reduced. Mandelbaum said that after the elections, conditions will be ripe for steps to curb inflation.

Mandelbaum said the Bank of Israel will maintain its support for the prices of linked bonds. He said that in the next few months the rate of interest will fall from its present high level.

Mandelbaum noted that large payments of taxes in the first part of May have meant an absorption of money, instead of monetary injections.

Savings situation is better than was predicted—Orgad

Post Knesset Reporter

The bleak predictions of massive withdrawals by savers of their savings accounts that matured in the last few months have not been borne out, Finance Minister Yigal Cohen-Orgad told the Knesset yesterday. He promised that the government would continue to encourage and protect the savings of investors.

Cohen-Orgad was speaking on his ministry's acitivities at the opening of the Knesset's pre-election summer term yesterday. The debate that followed is due to be concluded this afternoon.

Cohen-Orgad blamed the Alignment in general and Knesset Members Gad Ya'acobi and Adiel Amoria in particular for having tried a few months ago to undermine confidence in the money market, contrary to the views and actions of the governor of the Bank of Israel and others familiar with the economy.

The minister said that state revenue was expected to decline by 5.1 per cent in the current fiscal year, and that taxes would constitute 44 per cent of the gross national project, as against 46.5 per cent in fiscal 1983. The difference is due mainly to the Peace for Galilee compulsory loan, which was collected in 1983.

Cohen-Orgad said that alongside more efficient tax collection, the Finance Ministry was planning a gradual drop in the tax brackets, the object being to have only "a most limited part" of the public subject to a marginal tax of 50 per cent or more.

Cohen-Orgad was followed by Economic Committee chairman Ya'acobi (Alignment-Labour), who said that the minister was now engaged in "election economics."

Ya'acobi called attention to the 200-fold (10,000 per cent) increase in prices in the past seven years, monthly inflation hitting 20 per cent as against 2 per cent then, and a dollar exchange rate of IL9.50 in 1977 as against almost IL2,000 today.

Unemployment up to 5.7%

By AVI TEMKIN
Post Economic Reporter

The number of unemployed continued to increase during the first months of 1984. Figures released yesterday by the Central Bureau of Statistics showed that there were 80,000 unemployed by the end of March – representing 5.7 per cent of the labour force.

The figures showed that at the end of September 1983 there were only 56,000 unemployed. This means that during the six months from October, 1983 to March 1984 unemployment rose some 43 per cent.

Excluding seasonal factors, the bureau's figures show that unemployment among men was about 5.1 per cent, while among women it reached 6.5 per cent. At the end of September 1983, only 3 per cent of men were unemployed, while 4.6 per cent of women were unemployed.

The Finance Ministry declined to comment on the figures.

State comptroller:

Many local lists didn't submit audits

By ARYEH RUBINSTEIN
Post Knesset Reporter

Sixty-nine local lists that obtained state financing in the 1983 municipal elections failed to submit their books and an audited financial statement to the State Comptroller as required by law.

This is one of the main findings in the report on party financing in those elections submitted by State Comptroller Yitzhak Tunik yesterday to the Knesset Speaker.

Tunik calls on the interior minister to do whatever is necessary to get these lists to submit the reports now.

Lists that fail to submit the required financial reports forfeit the 15 per cent of their state financing, paid after the State Comptroller issues a favourable report.

Tunik thinks that this penalty is inadequate, and calls on the Knesset, if it again votes for state financing in local elections, to include "an appropriate sanction."

The eight "mother parties" (parties represented in the Knesset that also fielded local lists) and 269 local lists did submit the requisite financial information (although many of them did not meet the deadline).

Tunik notes that during the campaign, many local authorities use municipal funds on publicity and public relations that are often blatant propaganda for the mayor's party or for the coalition parties in general.

The Interior Ministry at first budgeted IS530 million for party financing, and later requested an additional IS80m.

French political hopeful called anti-Semite

PARIS (Reuter). – A row erupted yesterday over the candidacy in the European Parliament elections of French press magnate Robert Hersant, accused by his critics of anti-Semitic activities during the German occupation of France in World War II.

Hersant, 64, right-wing owner of the big-selling nationals *Le Figaro* and *France Soir* as well as a host of provincial daily and weekly newspapers, is a prominent figure on the main opposition list led by former heath minister Simone Veil, who was herself deported as a Jew to the German death camps in 1944.

In an open letter to Veil yesterday, nine distinguished former resistance fighters said they were scandalized and saddened by Hersant's inclusion. In 23rd place on the list, his election in June is virtually certain.

OVERSEAS. – A 12-hour event to mark the culmination of this year's Hebrew University One Year Programme for overseas students is to be held tomorrow on the Givat Ram campus. The programme includes an opening address by President Chaim Herzog, films, workshops and discussion groups.

BOYCOTT

(Continued from Page One)

"to cooperate and communicate" with Soviet officials on Olympics matters.

"There were no demands on their part and therefore no rejections," he said.

Peter Ueberroth, head of the Los Angeles Olympic Organizing Committee, also took strong exception to Gramov's account.

Ueberroth said he was confused and concerned by Gramov's comments that the State Department had repudiated an agreement signed April 24 by the International Olympic Committee, the LAOOC and Soviet Olympic officials.

When Gramov was asked whether he would attend an emergency meeting of the IOC this Friday in Lausanne, he answered: "We will take part." But he again made clear that this would do nothing to change the Soviet decision to withdraw from Los Angeles.

Labour denies offering Navon foreign ministry portfolio

Jerusalem Post Reporter

TEL AVIV. – The Labour Party spokesman yesterday denied a recent press report that party Chairman Shimon Peres had offered the post of deputy prime minister and foreign minister to former president Yitzhak Navon.

Peres and Navon made no such agreement, and no guarantees were given to Navon to dissuade him from challenging Peres for the party leadership, the spokesman said. He added that, after Navon's decision not to challenge Peres, the two discussed the possible composition of a Labour government, but decided not to draw up a shadow cabinet.

Former foreign minister Abba Eban told *The Jerusalem Post* last night that he had been advised by Peres's office not to believe the report. He added that such an agreement would be contrary to a long series of undertakings made to him by Peres.

Circles close to Eban said that he would not be prepared to accept any position other than foreign minister in an Alignment government.

Despite the denials, Navon's supporters are believed to be pressuring for a deal. They believe that they are in a good negotiating position at the moment, given the former president's popularity.

Peres, on the other hand, is believed to be playing for time. His immediate priority is not to make waves before the Labour list is presented to the party central committee tomorrow, but neither does he wish to make commitments before the elections.

Labour begins slating today

By ROY ISACOWITZ
and LEA LEVAVI
Jerusalem Post Reporters

TEL AVIV. – The Labour Party appointments committee will meet today to draw up the party's list for the coming Knesset elections. The committee, consisting of party chairman Shimon Peres, secretary-general Haim Bar-Lev, former prime minister Yitzhak Rabin and former president Yitzhak Navon, will choose about half of the candidates and list them along with those chosen by party branches.

The committee completed its series of meetings with party delegations yesterday afternoon. In two days of session, the committee heard some 70 delegations representing individual candidates and interest groups. Among the delegations arguing for realistic placings for their candidates were those representing the Arab and Druse sectors, students, labour councils, women and pensioners.

The party's Young Guard yesterday demanded that nine of the first 60 places on the slate be given to people under 40. This is a minimum requirement based on the party constitution. MK Haim Ramon, secretary-general of the Young Guard, said at a press conference here yesterday. He added that if the Young Guard's demands were not met, he and his colleagues would consider voting against the list.

After completing their meetings yesterday, the appointments committee discussed the procedures they will follow in drawing up the list. The completed slate will be presented to the party central committee for approval tomorrow afternoon.

Holocaust survivors list wants pay for forced labour

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. – The list of Holocaust survivors contesting the Knesset elections will press for German compensation for the "100,000 survivors in Israel who were used as forced labour during the war and have not been paid for their work," the list's leaders announced yesterday.

They will also demand that the Bonn government grant Israel two billion marks annually until the year 2000 to compensate victims and build them homes for the aged.

Speaking at a press conference yesterday, Tuvia Friedman, the list's leader, and his colleagues said their group will be apolitical, concentrating its efforts on behalf of Holocaust survivors living in Israel.

Friedman said the survivors are also demanding that a commission of inquiry be set up to trace "an estimated $500 million (in 1945 terms) worth of gold and valuables that were taken from Jews by the SS, which were recovered by the Allies at the end of the war."

The valuables, together with millions of dollars in gold bullion, were distributed to governments of countries the Germans had occupied, but "the Jewish people never received our own property back," Friedman said.

Not all the list's demands concern other countries. From the Israeli government, Friedman and his colleagues will call for full recognition of invalids' rights for survivors injured while fighting the Nazis.

Shilansky pressing bill to aid discharged soldiers

By CHARLES HOFFMAN
Jerusalem Post Reporter

A bill providing a wide range of benefits for discharged soldiers will be brought to the cabinet for approval next Sunday, Deputy Minister Dov Shilansky vowed at a meeting with reporters yesterday in Jerusalem.

Shilansky, a deputy minister in the Prime Minister's Office, had met earlier with Prime Minister Yitzhak Shamir to win his support to overcome Finance Ministry oppostion to some of the bill's provisions. Shilansky said that Shamir had promised his "personal intervention" in the matter, although Shilansky could not say if Shamir will take his side in the dispute with the ministry.

The dispute prevented the bill, which Shilansky believes will help prevent young people from leaving Israel, from coming before the cabinet for discussion in this weekly meeting on Sunday.

The points of contention are as follows:

- There is a gap of some IS300,000 between the amounts of benefits the two sides are willing to provide discharged soldiers towards buying basic household appliances such as a refrigerator, washing machine and stove. The Finance Ministry favours tax exemptions for this purpose worth about IS100,000 over a year, while Shilansky wants IS400,000 worth.
- Shilansky wants discharged soldiers to have preference over other applicants to universities, provided that they fulfil the entrance requirements, while the Finance Ministry opposed this, on the grounds that it will impair academic freedom.
- The Finance Ministry is opposed to giving big income-tax exemptions to discharged soldiers who settle in "preferred areas," which Shilansky said would be the administered territories, the Negev and Galilee.

The bill also provides for loans and scholarships for vocational training or university study after military service, larger housing loans, and preference for employment. The Finance Ministry estimates the benefits will cost IS7 billion a year.

Shilansky denied that action on the bill now was an election stunt, noting that he has been pushing it through government channels for two years and tha opposition members also support it. He said he hoped to get it passed in this session of the Knesset.

SETTLEMENTS

(Continued from Page One)

Park Hotel in Hebron, was "our spiritual father," said one Kiryat Arba resident. "He was a Western Wall," a confessor for us all."

But in Hebron's Shavei Hevron Yeshiva, Rabbi Moshe Bleicher said yesterday, "the boys (studying at the yeshiva) were shocked, but they must continue their studies for the sake of the people of Israel. Police matters are not for them."

One student in the yeshiva said he believed that Levinger was arrested because the rabbi "was planning on starting a political party and this is a good way to get him out of the way." Another yeshiva student quieted him and both returned to their books.

The meeting in the Etzion Bloc revealed how the rift inside the movement has widened since the first arrests in the case.

Settlement leaders arriving for the meeting were greeted by a lone Etzion Bloc resident holding a placard saying: "Those who haven't condemned should be condemned."

Sources inside the meeting said yesterday evening that their purpose was to discuss "both the ideological and the practical matters" arising from the arrests of the underground suspects.

Commenting on Levinger's arrest, one participant said "It's a painful subject, but as long as we have our leaders we'll continue our settlement efforts."

Another of those leaders, Kiryat Arba besder yeshiva head Rabbi Eliezer Waldman, was questioned last week by the police and may be questioned again.

"You don't have enough rabbis. You need in every settlement a rabbi who can provide spiritual guidance," Ashkenazi Chief Rabbi Avraham Shapiro told a group of Gush Emunim people who appealed to him and Sephardi Chief Rabbi Mordechai Eliahu for guidance.

In another development, some of the suspected lawyers are arguing over whether the suspects' names should be published.

The court ban on publication of the names was renewed starting on Friday at the request of some of the lawyers who say their clients deserve "not to have their names besmirched before they are charged – if they are charged." At least one lawyer told Jerusalem Magistrates Court Judge Aharon Simha that his client fears "blood revenge" from Arabs against his family, if his name is published.

But the police and the security forces are not insisting on banning publication of the names. And one lawyer told *The Post* last week he would prefer that his clients' names be published, as part of his efforts to rip down the "veil of secrecy dampened by leaks" that has been his "biggest problem" since the case broke.

A group of residents of settlements in Judea and Samaria will meet in Jerusalem on Thursday to establish a central action committee to support Gush Emunim members who have been detained in connection with the so-called Jewish underground case.

Sharp rise in number of child drug users

By AARON SITTNER
Jerusalem Post Reporter

The number of children involved in drug crimes is rising sharply, a Knesset unit was told yesterday. And a less serious problem – head lice in the classroom – is also growing more intense.

Appearing before the Education and Culture Committee, Nitzav-Mishne Shlomo Gal, head of the National Police Investigations Division, disclosed that 1,371 minors, in consort with adults, were caught in drug activity in the first four months of this year compared with 1,200 in the same period last year.

Gal was testifying as part of the committee debate on motions for the agenda by chairwoman Ora Namir (Alignment-Labour) and Pinhas Goldstein (Likud-Liberals) on "The Use of Drugs by School Children and Youth."

Rav-Pakad Ella Kahn, head of the police youth crimes division, said the time has come for a "frontal attack" on the drug problem here – not only by the police but by educational factors as well.

But Dr. Mordechai Peled, in charge of the Education and Culture Ministry's pedagogical department, told the committee that despite the increased public awareness of the narcotics problem among school children, the ministry has only a third of the required manpower to tackle the job of drug control.

Goldstein, who demanded a "national effort" to wipe out the school drug phenomenon, also raised the louse problem.

He said: "The time has come for school authorities to get tough and order scalp examinations by school nurses every few days. It has become evident recently that the scourge of head lice in kindergartens and primary school has become an accepted fact of life. School officials have surrendered to this terrible situation, contending it is no use to fight head lice!"

What is more, even parents have become passive and believe the transfer of head lice from pupil to pupil and from family to family cannot be controlled, he added.

"Besides the frequent scalp examinations, every child found with lice in his hair should be sent home promptly and not permitted to return to school until the condition is cleared up," Goldstein said.

REHABILITATION. – Aspects of rehabilitation after illness or accident, ranging from the care of the amputee to the sexual rehabilitation of the paraplegic, are being discussed at the 9th International Congress on physical medicine and rehabilitation that opened on Sunday at the Jerusalem Hilton Hotel and continues till Friday.

New director for education council

Jerusalem Post Reporter

Simcha Landau took over earlier this month as the director-general of the Council for Higher Education, replacing Gedalyahu Ya'acobi, who held the position for 10 years.

From 1977 Landau served as Israel economic attache in Bonn, and before that in various planning and budget posts in the Finance Ministry.

Ya'acobi presided over the transformation of the council into an active planning and budgeting body for Israel's higher-education system. He is retiring after several decades of public service in educational administration.

Education and Culture Minister Zevulun Hammer, who presides over the council, praised Ya'acobi's contribution to its development.

Heartiest congratulations to

Blanche and Romie Shapiro

on the occasion of his being made a Worthy of Bezalel.

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We are shocked at the untimely death
of our devoted employee

ERVIN FORSTER ז"ל

and share the family's profound grief.

Tadiran
Systems Division

Tel Aviv University
mourns the passing of

RITA and AUBREY LUBELL
of London

devoted friends and supporters

and sends condolences to their family

On the thirtieth day after the passing of our dear

JENNY TINTNER ז"ל

a memorial service will be held on Thursday, May 17, 1984,
at 4.00 p.m. at the Holon cemetery.
We shall gather at the old gate of the cemetery.

Max Tintner and the Family

We are sorry to announce the passing of

GERTRUDE (Trudi) HECHTER ז"ל

Her Brother:
Herbert Hechter and family

For details about the funeral, phone 054-52656.

With deep sorrow we announce
the passing of our beloved father and grandfather

Dipl. Eng. HANS SIEGEL

The funeral will take place today,
Tuesday, May 15, 1984, at 2.00 p.m.
at the Kfar Samir cemetery, Haifa.

Uri Yagil and family
Gad Yagil and family

With deep sorrow we announce the death of
our beloved husband, father, brother and grandfather

Dr. WALTER PREUSS

The funeral will take place today, Tuesday, May 15, 1984,
Iyar 13, 5744 at 11:00 a.m. at the Holon cemetery.
We shall meet at the new gate.

The bereaved family

Top judge critical of censor on 'Hadashot'

The newspaper *Hadashot*'s contention that its violation of censorship laws was an honest mistake is unconvincing, the High Court of Justice has ruled. The court yesterday released its reasons for its decision of two weeks ago to reject the newspaper's petition against a closure order issued by the military censor.

In the reasoned judgement, Justices Menahem Elon, Shlomo Levin and Avraham Halima say the judgement of the censor should not be interfered with. But Levin states that "he is not certain that the use that was made in this case of the Defence Emergency Regulations was necessary or desirable."

Levin states that he is not sure the severity of the censor's measures against *Hadashot* was desirable. He rules, however, that the censor did not cross "the thin line" that would require the court to intervene.

The paper defied censorship and published a report that Defence Minister Moshe Arens had established a special internal commission of inquiry to examine how four terrorists who hijacked a bus on April 13 were killed. This followed reports that at least one terrorist was seen being led away alive after the Israel Defence Forces stormed the bus.

The censor then ordered that the paper's press be closed for four days, and the paper's editor filed a petition against the order.

Elon states that the censor has the legal right to request that material be submitted for approval before publication, and a newspaper editor is required to follow such a request.

In the *Hadashot* case, the editor argued that the article on the commission of inquiry did not endanger state security or the public's welfare. Elon ruled, however, that "even if the argument is a good one – and we do not wish to express an opinion on this — this has nothing to do with the editor's obligation to submit the material for prior approval."

He goes on to say that the editor could have raised his arguments before the censor before publication, or before the High Court of Justice.

"The appellant knew of his obligation to submit publication of the article about the commission of inquiry for the censor's approval. He was informed of this in general, and he was informed of this by the censor concerning the particular case. He (the editor) took the law into his own hands," Elon says in explaining the court's decision.

Observing the law, as much as guarding freedom of expression, is the soul of democracy, Elon states.

Elon also rejects the paper's argument that the editor understood from a telephone conversation with the defence minister's aid, Nahman Shai, that the minister had permitted publication of the setting up of the commission. "If we had a reasonable doubt about the existence of an honest mistake," Elon states, "we would be inclined to intervene and prevent the severe administrative step of forbidding the printing of the newspaper." (Itim)

A group calling itself the Committee of Concerned Citizens gathered yesterday outside the Knesset calling for popular elections and other electoral reforms. Their masks dramatized what the group sees as "faceless Knesset members" with obligations to their parties and not to the people. (Rahamim Israeli)

Trial witness says:

Avrushmi's background made him anti-Arab

By SHMUEL MITTLEMAN

The trial in Jerusalem district court of Yona Avrushmi, accused of the murder of Emil Grunzweig, resumed yesterday with one witness testifying that Avrushmi's Sephardi origins influenced the defendant against the Arabs and the Peace Now movement.

"Those who come from the Sephardi community and have lived with Arabs think that it's impossible to live in peace with them, when they (the Arabs) are the bosses," witness Nissim Erez said. "And Peae Now is for the Arabs, because they don't understand."

Erez, who lives at Ofra in Samaria, employed Avrushmi in his carpentry shop.

Grunzweig, a member of Peace Now, was killed in a grenade explosion at a demonstration organized by the movement in Jerusalem on the night of February 9, 1983.

Erez also testified that Avrushmi once told him that Peace Now prevented Jewish settlement in Eretz Yisrael. "Anyone who is in Peace Now and understands this is a traitor," Erez said that Avrushmi told him.

On the day after the grenade attack, Erez said, Avrushmi came to work and did not behave unusually.

Another witness, marriage counsellor Sima Buskilla, said that a few days before February 9, 1983, Avrushmi cancelled an appointment "because he had to go to a demonstration."

The next several sessions of the trial are to be held behind closed doors for state security reasons. During these sessions, taped declarations given by Avrushmi to his interrogators of the General Security Services are to be presented.

Avrushmi's attorneys say that the declarations were given under duress. The court will decide in its final ruling whether these declarations are admissable. (Itim)

Dulzin denounces Aguda for 'blood libel' pamphlet

By GREER FAY CASHMAN
Jerusalem Post Reporter

Unless Agudat Yisrael publicly denounces the contents of the pamphlet *The Burned of the Crematoria Accuse*, it has no right for a seat in the government of Israel, World Zionist Organization chairman Arye Dulzin said yesterday in Jerusalem.

Many key Zionist figures are attacked in the pamphlet. Some are accused of collaboration with the Nazis.

According to the Organization of Partisans and Resistance Fighters, the pamphlet has for some years been distributed among students at ultra-Orthodox yeshivot. It is issued by a group called Sons of the Tora, attached to the Agudat Yisrael Youth organization, according to the partisans.

The pamphlet was the central topic of discussion at yesterday's WZO meeting. Dulzin said that he would write to the Agudat Yisrael leadership demanding its public disavowal of the pamphlet. A copy of the letter will be sent to Prime Minister Yitzhak Shamir.

Describing the contents of the publication as "blood libel nourished on hatred of the Zionist movement," Dulzin compared it to the most rabid Russian- and Arab-inspired anti-Semitic propaganda.

Following Dulzin's line, Settlement Department head Matityahu Drobles strongly censured Agudat Yisrael and said that if it does not immediately dissociate itself from the pamphlet, the WZO should sever its ties with all institutions connected with Agudat Yisrael.

Yitzhak Meir, head of the department for Tora Education and Culture in the Diaspora, called on religious Zionists to stand in the forefront of the struggle against those who seek to deny the legitimacy of the State of Israel.

The pamphlet alleges that Zionist leaders "permitted Jewish blood to be spilled as oil to lubricate the wheels of the Zionist state." It also attacks leaders of the Zionist underground in Europe, such as Abba Kovner, as having decided the fate of women and children and sent them to their deaths, according to the partisans.

ONE MORE

(Continued from Page One)

ism – of the implementation of the budget, the Treasury's accounting system, its debt management, its handling of government assets, its operations in the capital market – repeats what has been said in previous state comptroller reports. The comptroller repeatedly notes the failure to remedy defects criticized in previous reports, but can do little more than what he does – call for greater efforts to eliminate the mismanagement.

In his survey of the government's foreign debt, which at the end of March 1983 stood at $14.5b., $1.3b. higher than the year before (mostly as a result of the loans taken in the framework of U.S. military aid), the report reveals the real burden of these loans: military aid loans granted by the U.S. – $1.1b. in the year under review – are repayable within 30 years, of which the first 10 years are a grace period in which no repayments on capital are due. But these loans carry a fixed interest rate, representing the cost of capital to the U.S. government. In 1981 the rate stood at 13.75 per cent a year, and was somewhat lower in 1982. This means that by the time the grace period is over, twice the value of the capital has already been repaid as interest.

Neither the chapter on the Treasury, nor that on the Defence Ministry, nor that on the Israel Defence Forces contains any but passing references to the fact that the country was engaged in the Lebanon war. It may be that the comptroller consciously withheld his critique of the government's peformance while the war was still going on. But the report makes lopsided reading, as if business had been conducted as usual. And that may be close to the truth – in all areas not directly affected by the war.

Two more defect from Black Hebrews

Jerusalem Post Reporter

BEERSHEBA. – Two more persons defected from the Black Hebrews community in Dimona and Arad last week, *The Jerusalem Post* has learned.

The two, Antoinette Alexander (Rahel Bat-Yisrael) and her cousin Nifla Bat-Yisrael, are in Tel Aviv, in an apartment provided by the Arad Committee for the Return of the Black Hebrews, a group of citizens who give defecting Black Hebrews help and a way-station in Tel Aviv before they leave the country.

Meanwhile, Black Hebrews from abroad are said to be entering Israel to participate in the "New World Passover" in Dimona later this year. The cult, which is not Jewish, does not celebrate the Jewish Passover but has a similar festivity in May.

Life sentence for burglary-murder

BEERSHEBA (Itim). – A 33-year-old Ashdodite, Herzl Hazan, was sentenced yesterday to life imprisonment for the death of a local woman whose apartment he had broken into. The Beersheba District Court also sentenced Hazan to another four years on charges of breaking and entering.

Hazan admitted to having broken into the apartment of Elizabeth Szabo-Teka, 61, last July and striking her when she awoke and began screaming. He added that he took jewelry and a number of electric appliances before leaving.

Police found Hazan in a nearby park with goods taken from the woman's apartment shortly after her body ws discovered.

The investigators said that a blood-stained pillow was found on the bed next to the body, and there were signs of a struggle having taken place. An autopsy determined that Szabo-Teka died of asphyxiation from blood in her nose and as a result of a hand or pillow having been held on her face.

Four broadcasting dep't heads resign

By GREER FAY CASHMAN
Jerusalem Post Reporter

Four programme department heads yesterday tendered their resignations to the board of directors of the Israel Broadcasting Authority after a day of stormy meetings.

Among the reasons submitted for the resignations were inability to co-operate with staffers from other departments – particularly technicians, who in recent weeks have been working strictly to the rule book – insufficient budget, and lack of proper equipment and facilities.

David Gilboa, Sara Ginor, Elon Goitein and Mordechai Priman, in charge of documentaries, youth, drama and entertainment, and religious programmes respectively, have been key figures in recent labour troubles.

IBA Director-General Uri Porat accepted their resignations.

The latest in a series of labour crises and unresolved disputes between workers and management has resulted in the cancellation of several programmes.

Living with cancer meeting opens today

By LEA LEVAVI
Jerusalem Post Reporter

TEL AVIV. – More than 70 per cent of women with breast cancer discover the lump themselves, but between 10 and 15 per cent come for treatment too late, having ignored the lump in the vain hope that it will go away, Professor Eliezer Robinson of the Ramban Hospital's Oncology Department, told reporters here yesterday. He was speaking at a news conference about the third international conference of Reach to Recovery, a voluntary organization of women who have overcome breast cancer and help others to learn to live with it. The conference is to open in Jerusalem today.

Robinson said education is the key to getting women not only to examine their breasts but also to go to their doctor immediately on finding anything suspicious. If breast cancer is caught early enough, treatment may be less radical – removing part instead of all of the breast, and less chemotherapy and radiation treatment.

Developments in the reconstruction of the breast are providing a solution for many women, he said. "We doctors don't persuade women to undergo construction; we tell them it's available and we refer those who want to do it to the specialists in the field. Many women have told me that the reason they don't do it is that they don't want to undergo another operation.

Union criticizes plan to import nurses

By D'VORA BEN SHAUL
Jerusalem Post Reporter

The Israel Nurses Union has sharply criticized a suggestion by the Hadassah Medical Centres in Jerusalem to bring trained nurses from the Philippines to work in hospitals here because of the shortage of nurses.

Moria Galili, secretary of the union has written to the management of Hadassah Ein Kerem condemning the plan. "You know," she wrote, "that the shortage of nurses is relative and not absolute. Many nurses work only part time and others not at all because of the difficult work conditions and the poor pay."

Galili added that the union will take all legal steps to prevent the importation of foreign nurses for work in Israeli hospitals. She said that if the hospitals helped the nurses by providing transportation or car allowances and nursery and kindergarden facilities, they would not have much trouble filling the vacant positions.

Edna Garfunkel, head nurse at Hadassah, said that she would always give preference to Israeli trained nurses, but bringing trained nurses from the Philippines might solve the problem. She added that only qualified, well-trained nurses would be considered.

LAG BA'OMER. – Ten thousand people have arrived at Mt. Meron for the Lag Ba'omer festivities Saturday night and Sunday. By the end of week, 150,000 are expected.

Teachers to choose delegates tomorrow

By LEA LEVAVI
Jerusalem Post Reporter

TEL AVIV.– More than 65,000 teachers will go to the polls tomorrow to choose representatives to their union's 26th national convention and to union branches around the country.

Polling will be done at schools between 7.45 a.m. and noon, allowing teachers to vote at their place of employment. Several stationary polling places will be open until 8 p.m.

The lists competing for the teachers' votes are: Alignment, Likud and 'others,' including four Arab lists.

Pensioners volunteer for work in schools

Jerusalem Post Reporter

More than 500 pensioners have volunteered to teach or perform other services in the schools in answer to a request for volunteers in March by Education and Culture Minister Zevulun Hammer.

Most of the volunteers are retired teachers but some have held other government positions, some of them at senior administrative levels. The volunteers will give supplementary classes, replace teachers on sick leave, work in school libraries and accompany pupils on field trips.

Hammer appealed to the pensioners when it became obvious that heavy budget cuts in the ministry were likely to adversely effect the level of teaching and that a shortage of teachers would especially harm disadvantaged children.

Holocaust is taught in Hungary, professor tells symposium

By DAVID RUDGE
Jerusalem Post Reporter

HAIFA. – The mass murder of Hungarian Jewry during World War II is freely taught in high schools and universities in Hungary today as part of the modern-history curriculum, Professor Gyorgy Ranki, of the Hungarian Academy of Science in Budapest, told reporters here yesterday.

Ranki described the period between 1944 and the Spring of 1945, when more than half a million Jews were transported to German death camps with the co-operation of the Hungarian people, as "a very sad part" of his country's history.

Nevertheless, the Hungarian government is now eager to contribute to research of this period so that the younger generation may learn from history, he said. He was speaking at a news conference with participants in an international conference that opened at the Haifa University yesterday to commemorate the 40th anniversary of the destruction of Hungarian Jewry by the Germans and their collaborators.

The subject has been debated in the Hungarian media, including television and radio, he said. Part of a programme in a popular TV discussion series was recently devoted to the Holocaust and the part Hungarians played in it.

Prof. Randolph Braham, of the City University of New York, said the Hungarian government had resisted German pressure to "solve the Jewish question" until 1944, but the occupation gave the Germans and the Hungarian radical right the opportunity to implement their plans. "The Germans were eager to implement their Final Solution but could not do so before March 1944, and after that they could not have done it without the co-operation of the Hungarian puppet government."

Braham, an expert on the Holocaust, said he was pleased the subject was taught now in Hungarian schools and universities, although the amount of textbooks was still not adequate. The situation there, however, was much better than in other East European countries, especially Russia, where anti-Semitism has been elevated to "state policy."

Since 1973, many books on the Holocaust of Hungarian Jewry had been published, and in this respect Hungary was undergoing a renaissance, he said.

Prof. Ivan Berend, of the Karl Marx University of Economics in Budapest, said Jews and other religious groups enjoy complete freedom in Hungary today.

There were no official statistics on the number of Hungarian Jews, but he estimated there were between 60,000 and 100,000, most of them in Budapest.

Technion meeting on trash recycling

HAIFA. – The six kilograms of garbage an Israeli family of five produces every day could be burned to provide 2.5 kilowatt hours of electricity, enough to cover the power needs of their household. But economic, environmental and other factors make such burning less than attractive.

Such facets of the garbage-disposal – energy-creating problem will be discussed here on Thursday at a day-long symposium sponsored by the Technion's civil engineering faculty.

Experts from Israel and abroad will present their solutions to an audience of local authority, government, industry, and environmental experts concerned with the issue.

The question whether to burn the waste is now raging among Israeli experts, especially regarding the densely populated areas.

Other methods to be discussed include the recovery of recyclable material from garbage and using the remaining organic matter for supplementary fuel in the coal-fired power stations.

SUMMONS WITH NOTICE
ACTION FOR A DIVORCE
Index No. G1742

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF CHAUTAUQUA

LEONA J. HAIMOVITZ, 90 Brigham Road, Apartment A-3, Fredonia, New York 14063, Plaintiff, against SHEMON HAIMOVITZ, address unknown, Defendant.

To the above named Defendant: You are hereby summoned to serve a notice of appearance on the Plaintiff's Attorney within 20 days after the service of this summons, exclusive of the day of service (or within 30 days after the service is complete if this summons is not personally delivered to you within the State of New York); and in case of your failure to appear judgment will be taken against you by default for the relief demanded in the notice set forth below.

Plaintiff designates Chautauqua County as the place of trial. The basis of the venue is plaintiff's address. Plaintiff resides at 90 Brigham Road, Apartment 1-3, Fredonia, New York 14063, County of Chautauqua.

NOTICE: The nature of this action is to obtain a judgment of divorce dissolving the marriage between the parties on the grounds of abandonment of the plaintiff by the defendant. The relief sought is a judgment of absolute divorce in favor of the plaintiff dissolving forever the bonds of matrimony between the parties in this action.

Dated: March 26, 1984

ROBERT H. DALEY, Attorney for Plaintiff
Office and Post Office Address
33 Church Street
P.O. Box 385
Fredonia, New York 14063

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Haifa: 11 Pal-Yam St adjoining the Zim building. Tel. 04-670725

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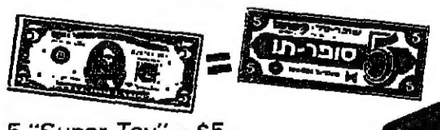

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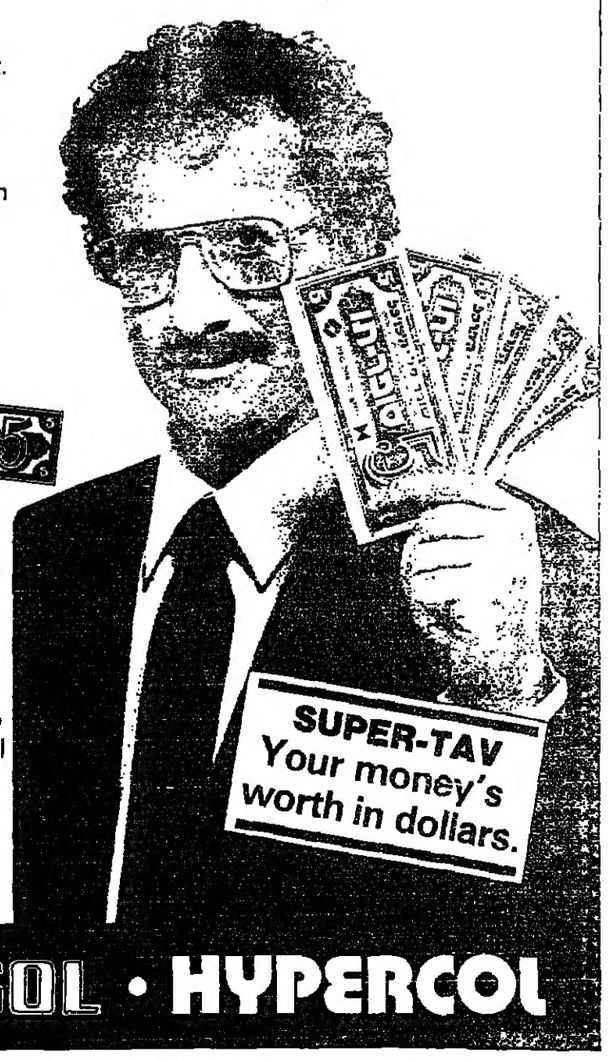

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Iraq confirms attack on two vessels

Fourth tanker hit by missile

BAHRAIN (Reuter). – A Kuwaiti tanker was damaged in an air attack in the Gulf yesterday, the fourth vessel to be hit in the past two days, the Kuwait news agency Kuna reported.

It said Abdul-Fattah al-Badr, chairman of the Kuwait Oil Tanker Company, named the ship as the Bahra and said it was attacked by an unidentified plane.

He said the tanker, which was not carrying any crude, was headed for Kuwait when hit in a missile attack.

Badr told Kuna that the attack caused "huge damage" to the starboard side of the ship, leaving a hole more than five square metres. Parts of the accommodation section were also damaged.

He said two persons, apparently crew members, were injured.

The Kuwait report raised fresh concern among shipowners already weighing the risks of sending vessels close to or through the northern Gulf war zone which Iraq has barred to shipping in its continuing war with Iran.

Earlier yesterday three other oil tankers were reported struck by missiles and Iraq confirmed it had attacked two vessels in the Gulf Sunday night, south of Iran's Kharg Island oil terminal.

The Iraqi spokesman said Sunday night's attack "proved Iraq's ability to continue its siege of Kharg Island and other Iranian terminals" and warned other vessels attempting to approach Iranian terminals that they would be attacked.

Prior to yesterday's communique and apparently referring to the attack on the Kuwaiti-owned Umm-Casbah, Iraq said it had not been involved in any action in the Gulf since last Wednesday in its 43-month-old war with Iraq.

Shipping sources said two ships, the Panaminian-flag Esperanza 2 and the Iranian-registered Tabriz, were ablaze yesterday south of Kharg, in the zone where marine fire-fighters were already battling fire aboard the Saudi-registered al-Ahood, hit by a missile on May 7.

In a separate incident, the Kuwaiti tanker Umm-Casbah, was hit Sunday morning in a missile attack. Investigation teams yesterday were examining the vessel, which was not on fire, anchored off Bahrain.

Shipping sources said the Umm-Casbah may have been hit by more than one projectile and it was unclear whether they had exploded. There were no injuries among its 27-member Bulgarian crew, they said.

The attacks bring to five the number of tankers struck by missiles in the Gulf in three weeks.

Shipping sources said the Esperanza, 61,928 tons deadweight and built in Japan in 1964, was on its way north towards Kharg Island loaded with ballast. The crew might have to abandon ship, they said.

The Tabriz, 69,498 tons deadweight and owned by the National Iranian Tanker Company, had loaded with oil at Kharg and was heading south. The sources said it would probably make for Lavan Island, further south, where there is a small Iranian oil terminal.

They said crews of the six rescue vessels attending the al-Ahood saw the impact of the explosion on what appeared to be the Tabriz 10 miles to the North. The Esperanza was attacked south of the al-Ahood.

Meanwhile, the crippled al-Ahood threatens serious pollution in the Gulf, the sources said. Fire on board is in danger of spreading to the cargo and the ship itself might break up, they said.

Shippers said marine insurance rates for the Iranian ports of Kharg Island and Bushire would probably rise again, while rates for other Gulf destinations, particularly Kuwait, would have to be reassessed.

Mubarak's brother: opposition party will win elections

CAIRO (AP). – A younger brother of President Hosni Mubarak predicts that the opposition New Wafd party will win more seats in the May 27 parliamentary elections than his brother's ruling National Democratic party.

Sami Mubarak, a 52-year-old engineer, made the forecast in an interview with the bi-weekly *Al-Ahrar*, organ of the rightist opposition Socialist Liberal party, published yesterday.

Sami Mubarak is running in a Cairo constituency as a candidate for the New Wafd party, a right-of-centre group and heir to the nation's largest political party before the 1952 revolution that toppled the monarchy.

Sami Mubarak was strongly critical of the performance of the NDP but not of the person of his 56-year-old brother Hosni, who inherited the leadership of the party from his slain predecessor, Anwar Sadat.

U.S. Supreme Court upholds Moon's 18-month jail term

WASHINGTON (AP). – The U.S. Supreme Court yesterday cleared the way for the imprisonment of the Reverend Sun Myung Moon, sentenced to 18 months for tax evasion.

The justices, without comment, rejected an appeal by the South Korean-born founder and leader of the Unification Church, who said he was denied a fair trial and portrayed himself as a victim of religious persecution.

Federal prosecutors now are free to seek the immediate imprisonment of Moon and an associate, Takeru Kamiyama, who was sentenced to a six-month term for conspiring to file false U.S. tax returns. Moon and Kamiyama have been free on bail pending appeal.

U.S. attorney Rudolph Giuliani said he had notified Moon's attorney that Moon must surrender for imprisonment on June 18.

Giuliani said the prison Moon will be assigned to has not been decided by the U.S. Bureau of Prisons.

Moon contended that the money on which he failed to pay taxes, while held in his name, belonged to his church. Churches in the U.S. generally are exempt from paying taxes.

Sun Myung Moon

Moon was sentenced to prison and fined $25,000 in 1982 after a jury found him guilty of evading $162,000 in taxes on income from both a bank account and an importing business. He also was convicted of conspiring to file false U.S. tax returns.

The Second U.S. Circuit Court of Appeals upheld his conviction last September, rejecting Moon's argument that he should have been tried before a judge rather than jury.

The Unification Church claims three million members worldwide.

3 priests slain; strike cripples North India

AMRITSAR, India (AP). – Three priests were found slain yesterday in this Sikh holy city as a general strike protesting against the assassination of a noted newpaper editor crippled activity in northern India, the authorities said.

Sikh terrorists hurled powerful Indian Army grenades at a crowded cinema and a paramilitary police patrol, and sprayed bullets on another police patrol, killing at least four persons and wounding 40, the officials said.

In Rajasthan State, Sikh terrorists hurled a grenade inside a cinema during a night show of a Hindu-language film, killing three viewers and wounding 34, the police said. Some of the injured people were listed in critical condition in a hospital in Sriganganagar town.

Motorcycle-riding Sikh militants fired on paramilitary troops in Ludhiana district of the Punjab and then escaped, the state police said. One trooper was killed and another wounded. In another incident, five troops were wounded in a grenade attack north of Amritsar.

Three bullet-ridden bodies of priests were found in a Sikh shrine in Amritsar, the Punjab state government reported. One of them was identified as a Hindu priest. It was not immediately known if the other two were Sikh or Hindu.

The police said the Hindu priest apparently was kidnapped by Sikh terrorists and shot dead inside the shrine.

The Punjab state authorities, meanwhile, clamped curfews in three additional cities – Ludhiana, Moga and Khanna – to stem rioting and arson.

Guerrillas promise to free abducted U.S. newlyweds

COLOMBO (AP). – Kidnappers of a newlywed American couple announced they were releasing them unconditionally last night.

Hundreds of Sri Lankan military and police troops searched the northern Jaffna region for the couple, Stanley and Mary Allen, following the guerrilla announcement in the Indian port of Madras.

Sri Lankan National Security Minister Lalith Athulathmudali said the Americans were expected to be "dropped at some remote road" in the Tamil-dominated northern province by the abductors.

The underground Tamil separatist group earlier announced that although it was convinced the two were spies of the U.S. Central Intelligence Agency, it was pardoning them.

The abductors had demanded a ransom of $2 million in gold and the release of 20 jailed Tamil rebels by noon yesterday.

"When they are released, it will be a great victory for world public opinion," the minister said. He indicated the kidnapping incident would inspire the Sri Lankan government to tighten a crackdown on Tamil separatists in the Jaffna region.

The obscure Marxist group has "assured us they would release the couple before midnight," said chief secretary K. Chockalingam of India's Tamil Nadu State in Madras.

In a statement released in Madras, the Eelam People's Revolutionary Liberation Front said it has "directed our comrades to release these two Americans in custody" in response to appeals by Indian Prime Minister Indira Gandhi and M.G. Ramachandran, the top elected official of Tamil Nadu state.

$84.1 million more in U.S. aid for Egypt

CAIRO (Reuter). – Egypt yesterday signed five aid agreements totalling $84.1 million with the U.S. Agency for International Development (USAID), U.S. Embassy officials said.

Sports

South American football here

By PAUL KOHN

TEL AVIV. – South American football returns to Israel after more than a decade with the game between the powerful Brazilian club side Santos and the Israel national team at the Bloomfield Stadium on Wednesday. The event has been organized by *Yediot Ahronot* which will name its "Footballer of the Year" before the match.

Israel soccer has never managed to find an answer to the Latin American game, which is so radically different from the European and British style of football. The National Team lost 5-0 to Brazil in 1963 while Santos, with the legendary Pele, won here 3-1 two years earlier.

Although Santos will be bringing a galaxy of stars and promise to provide their typical brand of cavalier *football*, the fine recent form of the National side – a 3-0 victory over Eire, an away draw against Rumania and a 4-1 trounciug of the IDF select – will enable Israel to start confidently against the talented opposition.

McEnroe No. 1

NEW YORK (Reuter). – John McEnroe, the world's leading tennis player, heads for Europe and the French Open in a fortnight with a new-found mastery on clay vividly demonstrated in a commanding win in the WCT Tournament of Champions here yesterday.

The 25-year-old American, unbeaten this year, crushed Ivan Lendl of Czechoslovakia 6-4 6-2, a victory made all the more impressive in view of Lendl's 6-0 6-0 defeat of Jimmy Connors in the semi-finals.

McEnroe appears to have overcome the nagging injuries which have plagued his career and seems also to have finally mastered the on-court tantrums which often eclipsed his talent. He strengthened his position as the world's number one player by winning his seventh title and 32nd consecutive match of the year.

Saying he was stronger and healthier than ever before, he has put on weight — 4.5 kgs. McEnroe produced an overpowering serve and volley game which left his rival baffled and dejected.

In Hamburg, the new Spanish hope, Juan Aguilera won the German Open, beating Henrik Sundstroem of Sweden 6-4, 2-6, 2-6, 6-4, 6-4, in a marathon final.

Israelis in London

By JACK LEON
Post Sports Reporter

Avi Appel was the most successful of the 22 Israeli participants in Sunday's London marathon, with a career-best time of 2:27:59. This was the second fastest marathon run by an Israeli this year. David Kedar and Yaron Albucher completed the course together in 2.37.0

But it was a sad day for Mazal Sholom, who is still hoping to qualify for the Olympics together with her older sister Zahava. Mazal, suffering from a severe cold, could only achieve 3:01:53.

Among the over-50 veterans, 53-year-old Jerusalem rabbi, Dr. Pesach Schindler got home in a useful 3:51:0. Barry Shaw finished in 2:57:0 in the over-40 category.

Islanders unfazed

UNIONDALE (AP). – Clark Gillies scored three goals and Bryan Trottier added two as the Islanders' battle-tested veterans paced New York to a 6-1 victory over the Edmonton Oilers to even their Stanley Cup ice hockey final series at one victory each.

Trottier recorded his 50th career playoff goal and Gillies got his 43rd Stanley Cup score on a power play and then completed his first Stanley Cup hat trick with 2:56 remaining on another power play.

Baseball: Sunday

National League

Atlanta 9, Pittsburgh 8, 10 innings;St. Louis 6, Cincinnati 2;Los Angeles 5, New York 3;San Francisco 4, Montreal 3;Philadelphia 8, San Diego 3;Houston 1, Chicago 0

American League

New York 7, Seattle 0;Baltimore 5, Oakland 1;Milwaukee 4, Minnesota 1;Kansas City 5, Boston 1;California at Detroit, ppd., rain;Toronto at Cleveland, 2, ppd., rain;Chicago 8, Texas 1.

Judo fighter revived

LIEGE. (Reuter). – A team of doctors fought for more than half a minute to revive a 22-year-old Rumanian judo fighter after he was strangled unconscious here. The incident happened during the men's European judo championships.

Doctors struggled to revive featherweight Ilie Serban using the kiss of life, Japanese rescucitation techniques and oxygen, after he had been strangled unconscious by his British opponent, Stephen Gasthorpe.

Only after Serban had been put on a stretcher and taken out of the arena was he brought back to consciousness. He was then taken to hospital to check for brain damage.

Although fighters are strangled unconscious occasionally in judo, it is rare they remain out for so long.

49 killed in election day violence in Philippines

MANILA, Philippines (AP). – After a day of bloodshed, widespread fraud charges and anti-government marches, election clerks counted millions of votes yesterday in a test of the political strength of President Ferdinand Marcos.

Very sketchy and unofficial returns from seven of the country's 14 regions showed Marcos candidates leading in races for 23 National Assembly seats while opposition candidates led in 21. At stake are 183 seats in an assembly now more than 90 per cent controlled by Marcos's party.

Nearly 25 million voters had registered, and officials said turnout was heavy across the 7,100-island nation.

At least 49 people, mostly soldiers and police, were killed in 12 reported incidents on election day and election eve. The military said Communist terrorists stole dozens of ballot boxes, burned a school voting centre and bombed another on Mindanao Island. No one was reported injured in the schools.

Official results were not expected before today.

Policemen with truncheons broke up a rally in a Manila suburb by several hundred urban workers supporting a boycott of the election. Eleven were arrested, the police said.

Teachers manning one Manila voting centre said 30 club-wielding men invaded the school just after the polls closed and switched ballots they were counting for stacks that were all marked for a Marcos candidate.

Attack in South Africa leaves 7 dead

DURBAN (AP) – Four guerrillas, firing assault rifles and throwing grenades, attacked an oil refinery here late Sunday night and led policemen on a six-kilometre car chase before the policemen killed them in a shoot-out early yesterday morning, police spokesmen said.

The police said three other persons died inside a paint-storage shed that caught fire during the 20-minute shootout. Their bodies were burned beyond recognition, but the paint-shop owner said two were male employees who often slept in the shed, and the third was a woman.

Four policemen were wounded in the shooting, one of them seriously.

A police spokesman said the attackers fired three rocket-propelled grenades at the refinery, starting a fire and causing limited damage. A refinery official said the blaze was put out by refinery workers in 40 minutes.

The largest black nationalist group opposed to South Africa's race-separation system, known as apartheid, claimed it was responsible.

The African National Congress issued a statement in Lusaka, Zambia, saying the attack marked "intensification of the armed struggle which we are now embarking upon."

The ANC also claimed responsibility for planting two bombs at government offices in Durban Saturday morning, wounding no one.

The police spokesmen said the guerrillas were three Black men and a Coloured – mixed race – man. He said they were armed with AK-47 automatic weapons.

A dog's life on the Riviera

NICE (Reuter). – A luxury restaurant for dogs, claiming to be Europe's first, opened on the French Riviera last weekend offering its canine customers "bloody dog" cocktail, diced fillet of beef with artichoke and cream dessert.

The cocktail is made from fresh ox blood. Also on the menu, served to the dogs in individual booths on china plates, are milk perfumed with pomegranate, minced turkey, poached hake, seaweed-flavoured steamed rice and creamed garden peas.

The restaurant, overlooking the sea on the Promenade des Anglais here, was opened by hotelier John Rebmann. "It's not such a mad idea when you consider the enormous amount the French spend on their four-legged friends," he said.

Main courses are priced at $5 to $9, according to the dog's size.

Denounced by the Communist Party newspaper *L'Humanité* as "an absolute scandal," the restaurant also has on hand a veterinarian and a dog dietician to help with digestive and other problems.

Namibia talks end without progress toward halting war

LUSAKA, Zambia (AP). – The first talks in three years between White-ruled South Africa and parties seeking independence for Namibia ended Sunday with no progress toward ending southern Africa's longest bush war.

Zambian President Kenneth Kaunda, who was co-chairman of the three-day meeting, conceded at a news conference that the meeting failed even to agree on a final statement.

Kaunda said, however, that the talks allowed the delegations, including the main Black-nationalist guerrilla movement, to have "recognized or identified the different areas where we have problems, where we differ."

"Hopefully, the doors of contact will be left open," Kaunda added. "Before this meeting, there was no contact between these groups."

Kaunda said he hoped there would be further meetings between the parties, but acknowledged that no firm plans had been made for another gathering.

Delegates had said privately that Kaunda huddled through the day with leaders of the South West Africa People's Organization (Swapo), the South African delegation and the six internal Namibian parties who formed a separate delegation to try to agree on a final statement.

Asked when the next meeting might occur, Kaunda replied that it would be "a madman's guess" to predict the time or place.

47 injured in Athens explosion

ATHENS (AP) – An explosion tore through a nine-storey office building yesterday, sending shards of glass and metal flying through the streets. The police said at least 47 people were injured.

The Greek minister of public order, Yiannis Skoularikis, rushed to the site and said the blast was "probably caused by a gas leak." The police initially had said a bomb was the cause, but later said a gas heater might have exploded.

The police said 18 of the injured were being kept in hospitals for treatment, eight of them in serious condition. They said at least 29 others were released after receiving first aid.

Fire at Jo'burg Jewish students office

JOHANNESBURG (AP). – A fire early yesterday at the University of the Witwatersrand damaged an office of the South African Union of Jewish Students – after a week of vandalism aimed at Jews and Moslems, a campus spokesman said.

John Bishop, public relations officer for the university, said the police were investigating the possibility of arson.

A week ago, students arriving for classes and commuters passing the university on the way to work saw anti-Semitic graffiti on walls along the campus.

In the previious week, Jewish students complained about what they said was anti-Israeli literature being distributed by the Moslem Students' Association. Some of the material was critical of Israel's 1982 invasion of Lebanon and its annexation of East Jerusalem.

Moslem leaders on the campus condemned the graffiti and denied any responsibility. Two days after the graffiti appeared, campus security policemen discovered that 18 small-calibre bullets had been fired into a door of a Moslem prayer room on the campus, wounding no one.

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Beth Hatefutsoth
The Nahum Goldmann Museum of the Jewish Diaspora
A meeting with Prof. Hilmar Hoffmann and discussion on "The Image of the Jew in Nazi Cinema"
The Discussion will take place at Beth Hatefutsoth, B'nai Zion Auditorium on Wednesday, May 16; 1984 at 8.30 p.m.
The evening will be conducted in Hebrew and English, and will be accompanied by excerpts from films. (In cooperation with the Goethe Institute — German Cultural Centre and the Department of Television and Cinema, Tel Aviv University).
Participants: Prof. Hilmar Hoffmann, Dr. Arye Carmon, Dr. Mihal Friedman.
The public is invited.

Bezalel Academy of Arts and Design, Jerusalem
invites the public to a lecture
by
ARCHITECT CHARLES W. MOORE (USA)
Honorary Fellow of Bezalel 1984
Mr. Moore will deliver a lecture on his work on Thursday, May 17, 1984, at 6 p.m. at Beit Agron, 37 Hillel Street, Jerusalem.

TEL AVIV UNIVERSITY
The George S. Wise Faculty of Life Sciences
The Otto Herz Memorial Lecture Series in Cancer Research
Professor Harald zur Hausen
Director, the German Cancer Center
Heidelberg, Germany
The lectures will take place at the George S. Wise Faculty of Life Sciences at 2.00 p.m. according to the following schedule:
First Lecture: Sunday, May 20, 1984
"VIRUSES IN HUMAN CANCER"
The Leigh Lecture Hall (14), The Cohen-Porter United Kingdom Building
Second Lecture: Monday, May 21, 1984
"A VIROLOGIST'S VIEW OF CANCER INITIATION AND PROMOTION"
The Judy Langer-Gefter Hall (02)
The Archie Sherman Building
Third Lecture: Tuesday, May 22, 1984
"CANCER PREVENTION, A REALISTIC OBJECTIVE"
The Judy Langer-Gefter Hall (02)
The Archie Sherman Building

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WEEKLY REVIEW

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It's All Over

Victor Juhasz

Hart Keeps His Foot in The Door — But It Hurts

By HOWELL RAINES

AMONG the friends of Walter F. Mondale, nothing arouses as much anxiety as the suggestion that the former Vice President can do everything required of a Presidential nominee except expand his appeal outside hardcore Democrats. Mr. Mondale had just about laid the "electability" question to rest by making the most significant comeback from an early reversal by any recent Democratic candidate. Last week, by narrowly losing the Ohio and Indiana primaries to Gary Hart, he gave new life to the old doubts just as he gave new life to Mr. Hart's candidacy.

Moreover, the nomination battle has now entered territory for which there are few historical guideposts. The anomaly is that the Colorado Senator now has a long-shot chance at the nomination, even though it is almost a numerical impossibility for him to overtake Mr. Mondale's lead in the delegate count. Of the 1,967 delegate votes needed to nominate, Mr. Mondale's tally last week, according to United Press International, was 1,518, and Mr. Hart's, 886; 829 remain to be selected.

Among party leaders, there was grumbling that Mr. Mondale had blown an opportunity to cinch the nomination by falling victim to his old nemeses, caution and overconfidence. He was particularly faulted for campaigning down to the wire in Texas, leaving Ohio to Mr. Hart for a couple of days. "We made a series of decisions that with 20/20 hindsight we might not have made," said James A. Johnson, the Mondale campaign chairman. But he observed that as the underdog Mr. Hart had the luxury of writing off Texas, while Mr. Mondale needed to nail down the victory he won last weekend to show he could carry a Western state that the Democrats need to take away from President Reagan in the general election.

Mr. Johnson added that Mr. Mondale's opponents are more taken with the "electability" question than the voting public, and that a strong Democrat like Mr. Mondale can spur the turnout of key party constituencies needed for a Democratic victory in November. Mr. Mondale's polls show, he said, that in most states, the number of people who think he would make the stronger Democratic candidate is 10 to 15 percent larger than the number that actually votes for him. This figure is encouraging to Mr. Mondale's advisers because it suggests that he has the potential to broaden his base. But the same figures can also be used to suggest that even when people think well of Mr. Mondale's prospects, there is something about the man that makes them reluctant to vote for him.

Throughout the campaign, the press and the professional political community have spoken of this curious aspect of Mr. Mondale's candidacy. Some have called it "the passion gap." Others have suggested that Mr. Mondale's support is "wide but not deep." Mr. Hart, adding his vote to that of the Rev. Jesse Jackson, has argued that in most primaries 60 percent of the Democrats who went to the polls have said they do not want Mr. Mondale as their nominee.

Whether or not these formulations are fair, they form the backdrop of the seven primaries and one caucus to be held between now and the end of the preconvention season. Mr. Mondale can afford to lose some of these contests, perhaps even most of them. But he cannot afford to get wiped out, especially on the last "Super Tuesday" of this year, June 5, when five states hold primaries. Such a showing would send Mr. Mondale "limping," as one supporter put it, into a convention where the party rules will allow for a high degree of volatility.

Mondale's Bottom Line

Even in such circumstances, Mondale strategists insist, Mr. Hart cannot win because he cannot attain a delegate majority. At this time, Hart consultant Patrick H. Caddell responds, psychology is more important than delegate totals. The convention will not nominate a man it fears will be a loser, he insists, and under party rules written after the 1980 convention allowing pledged delegates to switch before the first ballot, it will not have to. To encourage such a movement, Mr. Hart is undertaking a major effort to woo what he calls the "pool" of officially uncommitted delegates and to mount a credentials challenge to 550 Mondale delegates he considers "tainted" because they were elected with the help of union contributions. In sum, Mr. Hart's strategy — and last hope — is to use a series of primary victories and delegate maneuvers to start a stampede away from Mr. Mondale.

Mr. Johnson sets the chance of any Mondale delegates switching at "almost zero." But the fact remains that there is an outside chance that this convention could drift into a situation for which there are no recent precedents. Mr. Jackson, who demonstrated his hold on the black vote by winning the Louisiana primary on May 5, could wind up in a powerful bargaining position with the more than 300 delegates he will take to San Francisco. *(Jackson and labor, page 2.)*

The easiest way for Mr. Mondale to prevent trouble, of course, is to go out and win at least some of the remaining contests. His polls show him 10 points ahead in New Jersey. That one state could be enough to seal him the nomination. In 1976, Jimmy Carter lost California and New Jersey on the last primary day. But one victory, in Ohio, bailed him out by convincing Mayor Richard Daley of Chicago to shift his delegates to Mr. Carter.

In any event, spectators of political combat are in for a lively period. Mr. Mondale is said to feel that he eased his attacks on Mr. Hart's personality and policies too early. So on Friday, he hit the road with a tough speech that made clear his "No More Mr. Nice Guy" mood, accusing Mr. Hart of "unsteadiness," "inconsistencies," "flip-flops" and "lack of experience." In a series of interviews late in the week, Mr. Hart observed that such denunciations undermine the party unity Mr. Mondale extols when he's winning, and headed West too, where he himself could well deliver a heavy blow to party unity by showing that in Mr. Mondale the Democrats may be nominating a man who cannot carry California.

Duarte Wins A Crucial One For Reagan In Salvador

By HEDRICK SMITH

WASHINGTON

POLITICAL moods in Washington often last, as a Scandinavian Ambassador put it, "about as long as the flight of a chicken." Just three weeks ago the tide was running against President Reagan's Central American policy because Capitol Hill was in an uproar over the mining of Nicaraguan harbors. Last week, the tide turned. The harbor mining was barely mentioned in Congress and the President won a tight but important legislative vote authorizing more military aid to El Salvador. The shift reflected not only Washington's quixotic moods on Central America, but also the perpetual tug-of-war in the post-Vietnam era over any foreign policy that involves a conspicuous use of force.

Congress had cooled off during its Easter recess as the headlines concentrated on President Reagan's trip to China. And the President, in a nationally televised appeal Wednesday night, made the dire prediction that "the Communists will succeed" in El Salvador unless Congress voted more aid. To Democrats, that sounded like an election-year warning that he would hold them harshly to account if the Salvadoran Government fell. In fact, officials said the President had toned down earlier speech drafts, which accused his critics of being as blind toward the Communist threat as some Europeans had been to Hitler in the 1930's. He dropped a defiant reference to the harbor mining after Senate Republican leaders said it would rekindle partisan passions.

The President's restrained approach helped swing votes. But the real watershed event was last Sunday's presidential election in El Salvador, won by José Napoleón Duarte, the Christian Democrat, whose vows to halt the right-wing death squads, pursue land reform and seek a dialogue with the insurgents not only suited the Administration but helped disarm Democratic critics. The President greeted the first reports of Mr. Duarte's victory — he was officially declared the winner yesterday — as proof that El Salvador had made "strides toward democracy."

Events in El Salvador are seldom so simple. With a record of right-wing disruption of previous elections, Washington was uneasy when the party of Mr. Duarte's right-wing opponent, Roberto d'Aubuisson, attacked the results as "a farce" and refused to accept them. Latin American specialists read this as an omen that rightists might once again try to create chaos. The opposition to Mr. Duarte was reinforced by revelations that the C.I.A. had contributed $2.1 million to defeat Mr. d'Aubuisson.

Associated Press

José Napoleón Duarte

But for Capitol Hill last week, it was enough that Mr. Duarte appeared the winner. Otherwise, Speaker Thomas P. O'Neill Jr. said, "we wouldn't even be debating these amendments" for aid to El Salvador, "we'd be reassessing the whole thing." Indeed, Mr. Duarte's election split House Democratic ranks and made the Administration's victory possible. The critical push came from majority leader Jim Wright of Texas who backed a Republican package and opposed his own party's version of the aid bill, one that offered no military aid to El Salvador this year and imposed tight conditions in 1985.

Mr. Wright helped swing 56 Democrats into line with 156 Republicans to build a 212-to-208 majority for the Republican proposal for $129.4 million in military aid for Central America this year.

Dramatic as it was, the House vote only authorized aid without actually allocating it. But Republicans like Representative William Broomfield of Michigan predicted it would help break the legislative impasse over a Senate-approved bill to send El Salvador $62 million in military aid plus $21 million to Nicaraguan "contras," or rebels. Others said the vote would free the White House from its self-imposed ceiling of 55 American military advisers in El Salvador. Emboldened Administration officials talked of pushing for another $112 million in military aid for El Salvador this year. But to some in Congress, that smacked of stretching a narrow victory too far.

Panama's election tensions, page 4

The House vote left dangling the issue of aid to the Nicaraguan rebels, which will run out this month and which House Democratic leaders have vigorously opposed. That once-covert program prompted Nicaragua to file suit in the International Court of Justice in The Hague. Last week, the court ruled that the United States should immediately halt any attempts to blockade or mine Nicaraguan ports. The Administration, seeking to put that controversy behind it, had passed the word three weeks ago that the mining had been halted. Nothing in the court ruling, a State Department spokesman said, "is inconsistent with current United States policy or activities with respect to Nicaragua."

But the President made clear in his Wednesday night speech that he had no intention of dropping the once-covert war completely. His speech contained his most explicit public appeal for American support of the contras. They are "freedom fighters," he said, whose "democratic aspirations" the United States "must support." To some in Congress, that sounded like an implicit call for transforming and perhaps toppling the Sandinista Government — an objective that both Senate and House Intelligence Committees have refused to sanction.

On aid to the contras, the criticial balance in the House shifts because the pivotal Mr. Wright stands with Speaker O'Neill, asserting that whatever faults there are in Nicaragua's policies, "we may not dictate their form of society" by backing rebel forces. "There's no way aid to the contras will get through," one of the Speaker's lieutenants said. A Senate Republican aide was almost as negative. "The Administration has been clever in crafting the whole debate lately around El Salvador, and they've won a big vote," he said. "But the contra money is still in trouble. They're still a long way from home on their whole Central American policy."

Moscow and Friends Will Sit This One Out

Roger Roth

MOSCOW

THERE was a sense of repetition in Moscow last week as talk of an Olympic boycott swept the streets, echoing the themes of the United States-led boycott of the 1980 games in the Soviet capital. But the roles were reversed this time. Now it was Soviet athletes arguing that it was impossible to compete in a nation as aggressive as the United States under President Reagan, while Washington issued statements arguing that sports should not be polluted by politics.

The official explanation Moscow offered for staying away — one quickly taken up by Bulgaria, East Germany, Czechoslovakia, Vietnam, Laos and Mongolia, with others yet to come — was that rampant anti-Sovietism had made Los Angeles and the games unsafe for socialist participation. But the motives seemed far more profound than apprehension about demonstrators, who in any event are an occupational hazard for Soviet delegations abroad.

In stinging commentaries, Tass, the Soviet press agency, made clear that one key motive was to do whatever possible to embarrass Mr. Reagan this election year; and to demonstrate the intensity of Soviet frustration with his anti-Communist posture and policies. Beyond that lay a grudge nourished for four years over the American boycott in 1980, which denied the Russians the glorious display of national achievement they had planned.

Whether accidentally or by design, the boycott announcement last week coincided with other events that together seemed to reveal a nation belligerently battening the hatches against the Reagan Administration and all the real and perceived slights of the recent past. The next day, Moscow postponed what was to have been the highest-level Soviet visit to China in 15 years. The deferral of the trip by Ivan V. Arkhipov, First Deputy Premier, caught diplomats — and the Chinese — by surprise. Again, the official excuse, that the Soviet side was not fully prepared for the visit, seemed hardly sufficient.

An explanation suggested by diplomats was that the Russians were not prepared to let a senior official go to Peking during renewed border hostilities between China and Vietnam, Moscow's ally. The Soviet press has been loudly blaming Peking for these incidents. Another possibility was Soviet pique at the reception given Mr. Reagan during his visit to China.

The Russians gave no date for rescheduling Mr. Arkhipov's visit, leaving unclear how great a setback they intended for the slow process of Soviet-Chinese rapprochement. Few diplomats saw a direct connection between the canceled visit and the Olympic cancellation. But in both, hostility to Mr. Reagan seemed to be a factor. Both derived from the same ugly mood that appears to have taken hold in Moscow.

It was as if the Russians had decided to draw the wagons tight, issuing only fierce denunciations of the President, such as the one last week that said Mr. Reagan's Latin American policies were marked by perfidy unknown since Hitler's Reich. Although unconfirmed intelligence reports spoke of considerable debate in the Kremlin before the Olympics decision was reached, there seemed little chance that the dark mood would lift, at least until the Presidential election is decided.

There were reports that Juan Antonio Samaranch, the president of the International Olympic Committee, and other officials planned to come to Moscow to try to persuade the Russians to go to Los Angeles. But the growing number of Communist Governments joining the boycott and the rising shrillness of Soviet press attacks on Mr. Reagan seemed to leave little chance for a reversal.

Another event that contributed to the week's dour mood was a report from a friend of Andrei D. Sakharov that the dissident Nobel Prize winner had started a hunger strike to demand medical treatment abroad for his wife, Yelena G. Bonner. At the same time, she was accused of anti-Soviet slander and restricted, like her husband, to the city of Gorky.

The news was brought from Gorky by Irina Kristi, a friend of the Sakharovs, who managed to converse with them for three minutes before she was seized by the police and held overnight.

—SERGE SCHMEMANN

The Nation

Feldstein Says He's Leaving, And Other Things

In a town of team players, Martin S. Feldstein's announcement that he would be leaving Washington some weeks earlier than expected was less remarked upon than the manner of his going. The chairman of President Reagan's Council of Economic Advisers went out taking issue with the White House, as the White House has so frequently in recent months taken issue with him for so doing.

The day before Mr. Feldstein said he was returning to Harvard University July 10, the big banks raised their prime lending rate half a percentage point, to 12 ½ percent. The third such increase in two months, it prompted declarations of disappointment in the Federal Reserve from an Administration worried about the politics of the economy and a credit-crunch slowdown as Election Day approaches. Mr. Feldstein, ever the economist pure, called Fed policies "not inappropriate" and consistent with Adminstration aims of 5 percent growth and 5 percent inflation this year.

(Later in the week, the Administration found some solace in reports that retail sales jumped 2.9 percent last month while wholesale prices stayed flat again. But the figures did little to soothe those worried that the economy's continued strength will produce a collision between private credit demands and Federal deficit financing needs that will shoot interest rates even higher.)

The prime rate rise, even as bankers from the rich industrial countries met in New York and worried about third world debt, provoked international concern as well. In Buenos Aires, Raúl Alfonsín, President of a country on the brink of default, called rising American interest rates "madness" that could "jeopardize Argentina's social peace." The two most recent increases in the prime, he said, had almost overnight added $600 million to the amount Argentina must pay over the next year on its foreign debt of $45 billion. Yesterday, Federal Reserve Board chairman Paul A. Volcker suggested to members of the Business Council meeting at Hot Springs, Va. that interest rates on loans to third world countries be limited to insulate them from rate rises in the United States.

Social Security Crisis

The politics of the economy was in the air all week. Treasury Secretary Donald T. Regan — frequently a pointman in the White House attacks on Mr. Feldstein's plain speaking and his two-year push for deficit-reducing new taxes — kept Administration damage control specialists working overtime. "There are no plans to change Social Security in the second term," deputy White House press secretary Peter Roussel rushed to say. Mr. Regan had told Sunday morning television talk show viewers that to keep the system solvent, the question of whether upper-income retirees should continue to receive benefits would have to be re-evaluated before the end of the 80's.

Political and economic concerns also collided in the Senate. Largely because not all 100 senators were there to vote, the White House-approved, three-year $144 billion deficit reduction plan narrowly survived an assault by Republican moderates who would take more from military spending and give more to domestic programs. A Democratic alternative went down earlier in the week, but only by a tie. At week's end, with 40 amendments still pending, Senate majority leader Howard H. Baker Jr. conceded a doubt that the Adminstration plan would make it.

Death Threat To the MX

In the 10 years it has been in the works, the MX missile has survived one challenge after another. But only days before a crucial House vote, the multibillion-dollar weapons system may be facing its last stand amid new charges of technical shortcomings.

A General Accounting Office report circulated last week said the Air Force changed its basing plans for the missile last year to make up for reduced range. Because the missile suffered a drastic decrease in the distance it could fly when its warheads were redesigned in 1982, Pentagon sources said, a decision was made to base the missile in existing silos in Wyoming and Nebraska, where it could be closer to Soviet targets on a flight across the polar regions. In addition, critical parts of the missile's guidance and control systems "are in various stages of redesign and testing," according to the report by the G.A.O., an investigative arm of Congress.

House Speaker Thomas P. O'Neill Jr., Democrat of Massachusetts, said yesterday that "we have the votes to stop the production of the MX." Earlier in the week, Representative Les Aspin, a Wisconsin Democrat on the House Armed Services Committee, said he would try to head off growing reservations about the tremendous cost of the MX by offering an amendment to finance only 15 missiles and then hold up funds for six months to see if Moscow returns to the Geneva arms talks. The House Armed Services Committee approved 30 out of the 40 missiles requested by the Pentagon.

A Step Closer To Capitol Hill

In last week's Congressional primaries, the Democratic races provided most of the drama.

The three-way contest in Texas for the party's nomination for the Senate seat being vacated by Republican John G. Tower was decided by a fraction of a percentage point. The loser was former Representative Robert Krueger, who had been the heavy favorite. The other two candidates, Representative Kent Hance, who made an issue of opposing amnesty for illegal aliens, and Lloyd Doggett, the liberal President Pro Tem of the Texas Senate, face a June 2 runoff.

As for the House races, in a show of Hispanic voting strength, Albert Bustamante, once a migrant worker and a former county judge unseated Representative Abraham Kasenof of San Antonio, who has served nine terms in the House. On the Republican side, Representative Phil Gramm, a former Democrat, won by a landslide. A Hance-Gramm Senate contest would pit two former "boll weevils," Democrats who supported President Reagan's tax cut package in 1981.

Indiana, Ohio, North Carolina and Maryland held both Presidential and Congressional primaries. Black candidates were narrowly defeated in two Democratic contests that were seen as a test of the Rev. Jesse Jackson's ability to draw enough voters to help other black politicians. Representative Katie Hall of Indiana lost her re-election bid in a three-way race. A North Carolina state legislator, Ken Spaulding, was defeated in his contest for the nomination to become the state's first black Congressman in this century.

Also in North Carolina, the stage was set for the Senate race between Gov. James B. Hunt Jr., a Democrat, and the Republican incumbent, Jesse Helms, neither of whom faced serious opposition in their party primaries.

In the heavily industrialized northeast of Ohio, Sheriff James Traficant of Mahoning County, who had gone to jail for refusing to sign home foreclosures and successfully defended himself against bribery charges, defeated six other Democrats in the race for a House seat.

Caroline Rand Herron, Carlyle C. Douglas and Michael Wright

Verbatim: Nixon on the Press

"I don't think the press has changed. And as far as I'm concerned, I probably have changed some. There has to be an adversarial relationship between press and candidate. There has to be an adversarial relationship between the press and whoever is in an office...I cherish many friendships in the press. And as far as those who are not friends, who are critics, I respect them, but when they give it to me, I give it back, just in kind — and that's the way it's going to be.

"I was President during a very controversial period. Many members of the media totally disapproved, not of me personally so much as they did of the war in Vietnam, of what we were trying to do there. I understood that. As far as I am concerned now, speaking before this audience, I have no enemies in the press whatever."

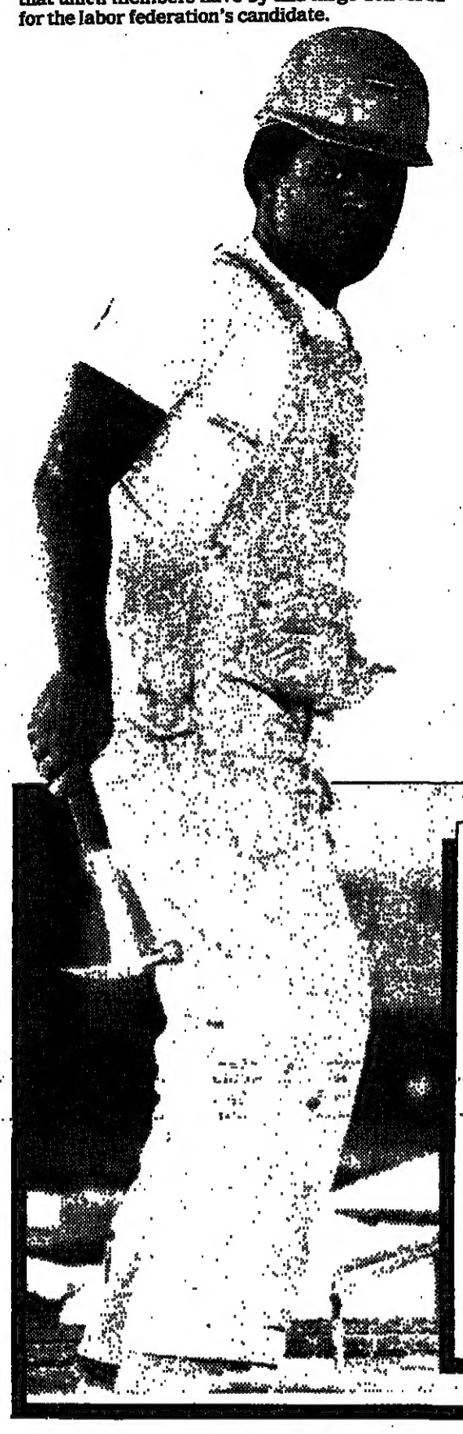
Richard Nixon,
answering questions about his relationship with the press, at the annual meeting of the American Society of Newspaper Editors in Washington, D.C.

Jackson Has His Own Labor Movement

The Uneasiness Between Blacks and Union Leaders

By BILL KELLER

PINEY POINT, Md. — When the executives of the A.F.L.-C.I.O convened here last week to talk politics, their mood was one of subdued self-congratulation. Even after Walter F. Mondale lost Ohio and Indiana on Tuesday, the labor political director, John Perkins, consoled himself that union voters stayed with the former Vice President by a comfortable margin. The feeling was that union members have by and large delivered for the labor federation's candidate.



But one group of union members has not. According to New York Times/CBS News exit polls, black union members have overwhelmingly voted for the Rev. Jesse Jackson. In Illinois, Pennsylvania, New York, and now Ohio — union strongholds all — they, like blacks at large, have turned out for Mr. Jackson.

In so doing, they have aligned themselves with a candidate who has on occasion poked fun at the organized labor establishment. In a favorite Jackson metaphor, labor is one of the institutional "old wine skins" that should be making room for "new wine." He has faulted unions for being slow to pute blacks into leadership positions, saying, "A black or a woman will clearly be President of this country before one will even be able to run for head of the A.F.L.-C.I.O." He has charged that when unions control the gateway to employment — as they do in the building trades, where employers commonly muster their manpower at the union hall for each project — they have protected white workers at the expense of young blacks entering the workforce. He has questioned unions' enthusiasm for affirmative action. He has argued that their historical support of military spending has drained money from civilian jobs programs.

Some blacks in the civil rights movement and in labor circles say Mr. Jackson's complaints are overdrawn, but close enough for discomfort. Census figures indicate that about 15 percent of union workers are black; the A.F.L.-C.I.O claims, based on guesswork, that the figure is much higher in its affiliates. Yet the 35-member executive council includes two blacks, neither considered as a force in the union family. Frederick O'Neal is president of the Associated Actors and Artistes of America, and Barbara Hutchinson is vice president of the American Federation of Government Employees.

Blacks are better represented in the second echelon of union power, and in many state and local organizations. But black unionists who have come up through the ranks, such as Addie L. Wyatt, vice president of the United Food and Commercial Workers and William Lucy, secretary-treasurer of the American Federation of State, County and Municipal Employees, say upward mobility remains too slow. "Let's face it," Mrs. Wyatt said, "racism and sexism pervade the organized labor movement just as they do every other institution in our society."

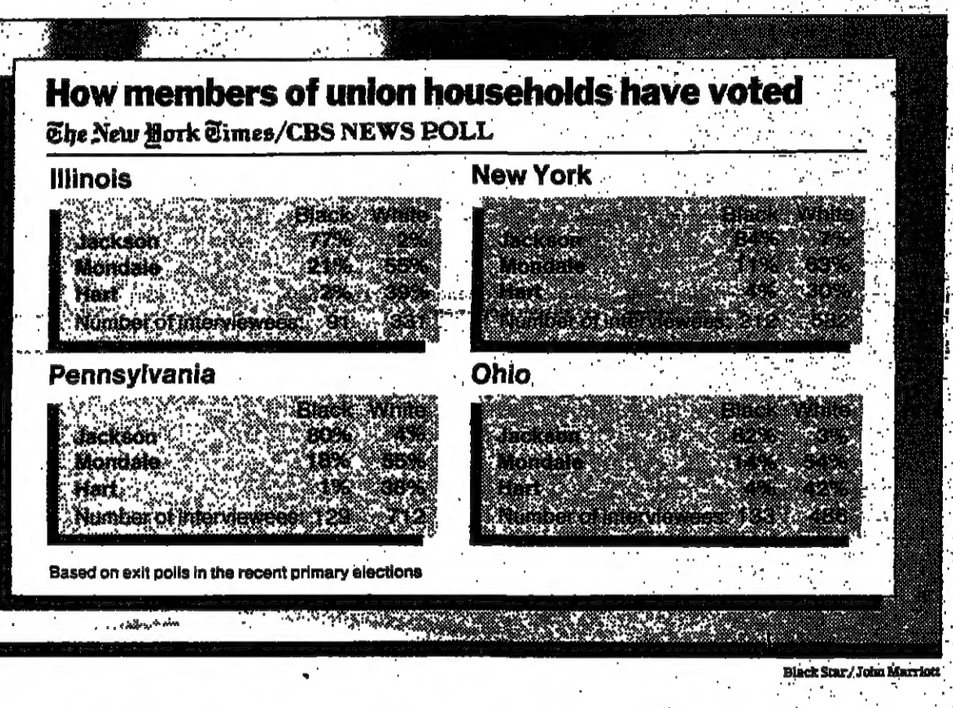
Civil rights leaders praise the industrial and service unions for opening the way for jobs for blacks, and for labor at large in its lobbying to expand Federal jobs programs. In the construction trades, however, the record is disputed. Federation president Lane Kirkland declared last week that Mr. Jackson's complaints on hiring in the building trades were "misinformed." But Napolean B. Johnson 2d, director of labor affairs at the National Urban League and an admirer of labor's record on race, says that with hard times in the construction industry blacks "are losing ground faster than we gained."

Some black leaders (though not Mr. Jackson) criticize unions for opposing experiments designed to produce jobs for black youth. The National Conference of Black Mayors and the Urban League, for example, have endorsed a lower minimum wage for summer jobs for teen-agers. Labor strongly opposes the scheme, saying employers will simply hire youngsters in place of better paid older workers. Still, labor leaders do not believe the Jackson campaign represents a serious estrangement between blacks and labor.

Pulling for a Common Goal

Union leaders are on the letterheads of every coalition for social programs and minority rights. They have added the equal rights amendment and affirmative action to their lists of lobbying priorities. Union placards sway above every civil rights march. Blacks seem to return the support; exit polls show that black voters are much less inclined than white voters to say unions have "too much power." They fully expect that blacks and labor will pull together for the common goal of unseating President Reagan.

Mr. Jackson has tempered his criticism of the A.F.L.-C.I.O., as part of general preconvention peacemaking. But his candidacy may affect the labor movement more than its leaders foresee. He has aroused an outpouring of excitement by telling young blacks they are "somebody." If that energy outlasts the election, where will it turn? Ernest Green, an assistant secretary of labor in the Carter Administration who is a top Jackson adviser, predicts the political energy Mr. Jackson has stirred on the national level will turn up in local politics, in the workplace and in union halls. Young blacks who have tended to follow will demand to lead, Mr. Green said last week. "I think most people in the black community have been amazed at their own potential political strength," he added. "Now they figure it can translate to other political institutions."



Black Star/John Marriott

Union Members and Japanese Competitors Could Cut Into Profits

Detroit Is In for Some Rough Going

By JOHN HOLUSHA

DETROIT — Prosperity has returned — at least temporarily — to Detroit. Big option-laden cars are in demand once again, auto sales in general are rising and competition from the Japanese is fettered by import restraints.

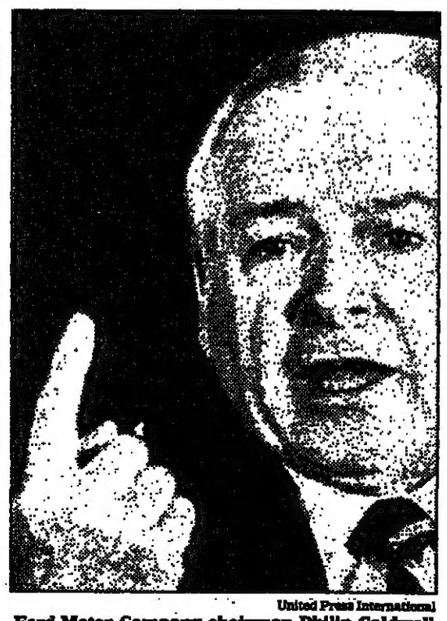
Combined profits for the Big Three car makers are expected to exceed $10 billion this year, easily eclipsing the record $6.15 billion reported in 1983. The Chrysler Corporation, which teetered on the edge of bankruptcy just three years ago, earned $706 million in the first quarter of 1984, more than in any full year in its 60-year history.

However, the industry is not exactly the picture of health that might be conjured from these numbers. The figures were aided on one hand by years of decreased Japanese competition prompted by pressure from Washington, and on the other hand by years of union concessions.

Government officials have begun to hint that the import protection may not be renewed when it expires next spring, and leaders of the United Auto Workers have made it plain that they hope to recoup in contract talks beginning this summer some of what they gave up in the lean years. And while the industry may be amenable to some lessening of import quotas — the Japanese are, after all, increasingly becoming Detroit's partners through a variety of joint ventures — the U.A.W. has also said it intends to strongly oppose the increasing transfer of jobs offshore.

Owen F. Bieber, the U.A.W. president, notes that while auto industry profits have returned, many former autoworkers have not. The union estimates that employment in the industry is still 200,000 below the peak in 1978. And with increased automation and overseas deals, that peak may never be reached again.

Much of the industry's recent criticism from Government and labor was prompted when auto executives publicly congratulated themselves for their record year and then paid themselves some eye-popping record bonuses. Roger B. Smith, the chairman of the General Motors Corporation, was paid $1,490,490 in salary and cash and stock bonuses plus an undisclosed additional amount in long-term compensation. Philip Caldwell, the chairman of Ford Motor Company, collected $1,420,534 in salary and bonus plus $5,892,024 in profits from accumulated stock options.



United Press International

Ford Motor Company chairman Philip Caldwell defending executive bonuses.

In a storm of protest, officials in Washington and Solidarity House said the auto industry, despite a record year behind it and apparently another one ahead of it, simply wasn't healthy enough yet to justify such payouts.

William Brock, the Special Trade Representative who negotiated an additional year of import limitations, said he felt "had," and recommended dropping the limitations on Japanese imports when they expire next March. He said the industry had spent too much on bonuses and too little on modernization. However, Vice President George Bush said no decision had been made on the matter, and some Japanese leaders said they favored continued restraints.

But Martin S. Feldstein, who recently announced his resignation as chairman of the Council of Economic Advisers, apparently differed. "I believe if you had to bet money" he said last week, "the quotas will come off next year."

The threat to import restraints brought an immediate response from the U.A.W., which faces the tricky task of drafting a contract lucrative enough to be ratified by a membership, but not so rich as to endanger the industry's comeback. Lifting the restrictions would permit "a great influx of Japanese cars," Mr. Bieber said. He berated executives for sending "the message that the industry is back to the good old days."

Doubtful Investors

"I don't happen to believe that's true," he said. "There are short-term and long-term problems."

Nor do investors have much faith in the strength of the turnaround, says Maryann N. Keller, an investment adviser at Vilas-Fischer Associates. The relatively low price of G.M. stock means that "everybody has realized that these profits are a flash in the pan," she said.

A recent joint American-Japanese study at the University of Michigan concluded that the Japanese have an advantage of about $1,500 a car, due to lower labor and material costs and more efficient production methods.

The American auto industry has responded by buying small cars and components abroad rather than manufacturing them here. G.M. has plans to import 300,000 small cars a year from Isuzu and Suzuki in Japan, once restrictions end, and will jointly assemble 250,000 more with Toyota in California, using Japanese engines and transmissions. Ford is building a plant in Mexico to produce small cars for the American market.

While opposing such arrangements, the U.A.W. is also expected to seek significant wage gains this year. But if the union does win a big pay increase, automakers say the industry will have to rely even more heavily on imports. A hefty wage increase "would start to move mid-size cars offshore and by the year 2000 move everything off if we don't keep things in balance," said Lee Iacocca, the Chrysler chairman.

"What we have here is an oasis," said Michael Driggs, the deputy assistant secretary of Commerce for automotive affairs. "The 1983-84 period is probably the easiest the industry is going to have it for the decade. The problems are far from over."

The World

هكذا من الأصل

Enemies Meet In Lebanon — Peaceably

It was an unlikely scene but a welcome one to the war-weary Lebanese. Five Moslems sat down with four Christians last week for the first sessions of the country's national unity Cabinet. The only spoiler was the designated Interior Minister, Abdullah al-Rassi, a Christian. He stayed away in solidarity with his father-in-law, former President Suleiman Franjieh, who takes a dim view of the new Government.

It had taken much brokering by Syria and much bargaining by Prime Minister Rashid Karami to get the conflicting factions together for the first time in nine years of civil war. The last holdout had been Nabih Berri, the Moslem Shiite leader, who agreed to join when he got what he wanted — Minister of State for south Lebanon, where Israel is in control and many Shiites live. "People's minds should be reassured that the march to salvation has begun," Mr. Karami declared. Everyone got along so swimmingly that the Christian President, Amin Gemayel, who presided at the session at his summer palace in Bikfaya, drove off to lunch with three of his biggest opponents, Mr. Karami, Mr. Berri and Walid Jumblat, the Druse leader.

In Beirut, there was less harmony as sporadic fighting persisted across the Green Line separating Moslem West Beirut from Christian East Beirut. The Cabinet discussed ways of making the nominal cease-fire effective enough to enable the seaport and airport, closed for three months, to reopen. To reduce tension, the factional leaders agreed to release hundreds of civilians and soldiers captured by their respective militias. Reorganizing the Lebanese Army, which has split along factional lines, was also a priority.

Collectif/S. Allison

President Paul Biya

The Losers Pay In Cameroon

Since its independence from France in 1960, the west African republic of Cameroon has had only two Presidents and until last month, no attempts at a coup d'état. Civil peace helped the California-sized country of nine million people to prosper more than most of its neighbors.

All bets on continued stability have been off since a mutiny on April 8 by members of the Republican Guard, an elite force assigned to protect the President. Before it was put down, perhaps as many as 1,000 people died and 1,000 were arrested. President Paul Biya has begun to hit back with a series of trials. Last week, 37 executions were reported.

The mutiny appeared to be the latest phase of the political warfare between Mr. Biya and former President Ahmadou Ahidjo, who ruled for 22 years before relinquishing the presidency to Mr. Biya, his protegé and Prime Minister, in 1982. Mr. Biya turned out to be more independent-minded than Mr. Ahidjo apparently had planned. As a Roman Catholic from southern Cameroon, the new President began to take measures against Mr. Ahidjo's fellow Moslems in the north. The two men became enemies: Mr. Ahidjo, suspected of plotting, fled last July and eventually took up residence in France. In February, he was tried in absentia by a military court and condemned to death with two associates for continued plotting. Mr. Biya later commuted the sentences to life imprisonment. Presumably this did not appease Mr. Ahidjo, who continued his exile and his criticism. "The former President led the rebels," Gen. Pierre Semengué, the Chief of Staff, was quoted as having said. In southern France, Mr. Ahidjo did not confirm or deny.

The Shootout In Tripoli

Muammar el-Qaddafi, the Libyan leader, sees plotters on every side, bent on destroying him. He may be right. Last week, at least a dozen dissidents were killed in a shootout in Tripoli, the Libyan capital. "The terrorists, well-trained abroad, wanted to carry out acts of sabotage to ruin our achievements," Colonel Qaddafi said, "and perhaps they were also calculating to carry out an attack against me."

He blamed the United States, Britain and Sudan, which he accused of providing his enemies with a camp employing Egyptian and Sudanese instructors. "The countries which arm the killers will themselves pay dearly," he said.

Accounts of the incident were contradictory. The Italian news agency, Ansa, said men firing rocket-propelled grenades and automatic weapons had tried to attack the heavily protected barracks on the edge of town where Mr. Qaddafi sometimes stays.

But Mr. Qaddafi said a plot had been uncovered last Sunday when three dissident Libyans were intercepted near the Tunisian border. One was killed, Colonel Qaddafi said, and the others, when captured, betrayed 10 collaborators. He said eight of them were killed and two captured in a gun battle. The shooting lasted several hours.

Britain broke relations last month after a gunman firing from a window of the Libyan diplomatic office in London killed a policewoman and wounded 10 Libyans demonstrating against public hangings of students back home. Libyan agents have been accused of shooting anti-Qaddafi exiles in Britain, the United States and other countries. Britain, Sudan and Tunisia denied they were involved in last week's incident. The State Department said it would have no direct comment.

'Mi Laikum Yu,' Pope Is Told

Pope John Paul II last week took his message of compassion, consolation and hope to thousands of destitute refugees in Thailand, to joyous tribesmen in Papua New Guinea and, by radio, to 3 million Roman Catholics in Vietnam, where the Communist Government is putting pressure on priests to break with the Vatican.

"Never forget your identity as free people who have a rightful place in this world," John Paul told thousands of refugees from Vietnam, Cambodia and Laos at the Phanat Nikhom camp, 60 miles south of Bangkok. He also affirmed their "right to go back to their roots, to return to their native land" with independence and self-determination.

In Papua New Guinea, where he was greeted by bare-chested dancers and drummers, the Pope offered his blessings in the local languages as well as English. "Mi laikum yu Pop!" — "I love you, Pope," the audience chanted in pidgin English.

In Guadalcanal in the Solomon Islands, John Paul prayed for those who died in the fighting between American and Japanese troops in World War II.

The Pope's visits to Asian countries where Catholics are relatively few may be intended, in part, to project his message to China and Vietnam, where Catholics have been hard put to maintain ties with Rome. In Peking, the Government-regulated independent Catholic Church, which claims to represent half of China's estimated six million Catholics, announced it would revise "outdated" theological doctrines it argued were intended "to safeguard the feudal rule of the Pope in Rome."

In South Korea, John Paul canonized 93 Korean and 10 French missionary martyrs who died in the 19th century. He also met young people who gave him written complaints of Government restrictions on speech and expression. Security officers, alerted to rumors of an assassination plot, arrested a young man, — said to be deranged — who fired a cap pistol near the Pope's bulletproof car.

Just before the Pope arrived home yesterday, bankers said the Vatican had agreed to pay $244 million to creditors of the failed Banco Ambrosiano group. They said the payments, reportedly nearly half the Vatican's liquid assets, would be in recognition of "moral involvement" in the group's $1.3 billion loss. It was headed by Roberto Calvi, a Milan banker who worked closely with Archbishop Paul C. Marcinkus, an American prelate in the Vatican. The bankers said the church planned to dispose of holdings in real estate and securities to make the payment.

Milt Freudenheim and Henry Giniger

The Politics of a 35-Hour Week

Metal worker in Oberhausen, West Germany; union decal says: 'Instead of unemployment for many, shorter work week (35 hours) for all.'

Woodfin Camp · ZISUM · Gerd Ludwig

German Workers Watch the Clock

By JAMES M. MARKHAM

BONN — The world's biggest trade union last week edged toward a strike that would challenge Chancellor Helmut Kohl's conservative West German Government. The metal workers' union mobilized 13,000 of its 2.5 million members for scattered walkouts tomorrow in pursuit of the 35-hour work week. The opening blows will be limited, but the Government and businessmen fear they might snowball, endangering incipient economic recovery.

The union, I.G. Metall, has moved cautiously. Its demand for a five-hour reduction in the workweek without loss of pay is regarded skeptically by some of its own members. But the union argues that at a time of minimal growth, available work must be spread around to conserve jobs and open a few new slots. The employers' organization, Gesamtmetall, dismisses this argument. Thirty-five-hour weeks, it says, would raise labor costs by 20 percent, erode West Germany's international competitiveness and ultimately lead to a loss of jobs. The employers have been flourishing opinion polls showing a majority of workers opposed to the 35-hour week.

Stung by what it saw as management stonewalling, the union last week polled its members in Stuttgart and Frankfurt, rallying 80 percent support for a strike. That exceeded the 75 percent required by union bylaws, but the results were seen as moral support for the embattled union's leaders, not as enthusiasm for a walkout — the Stuttgart majority was the weakest in the union's history there. By selecting Stuttgart and Frankfurt for its opening moves, the union intentionally skirted the Ruhr industrial belt, where the troubled steel industry is centered and where high unemployment makes strikes unpopular. I.G. Metall aimed instead at the thriving automobile industry. The first strikes tomorrow will hit companies that supply parts to industry giants such as Mercedes-Benz and Porsche. Automobile manufacturers have been operating with short inventories. The union hopes to create a swift ripple effect throughout the industry without exposing too many of its troops to lockouts.

The 35-hour slogan is a bit misleading. While industrial wages are reckoned on the basis of a 40-hour week, the average worker puts in roughly 32 hours — when generous vacations, holidays and time off for illness are calculated. The pattern is comparable in the Netherlands, where contracts are based on 40.8 hours but hours worked total 31.6; or France, where the totals are 39 and 33. In the United States they are 40 and 36 and in superproductive Japan 40.9 and 40.7. Forty-seven percent of West German workers get six-week paid vacations. Five weeks off is normal for most others. Six years ago, a steel strike secured an extra week of paid vacation. It filtered down to other sectors, as the metal workers' gains tend to do.

Blue-Collar Swing Votes

The dispute, perhaps inevitably, has become heavily politicized. Chancellor Kohl has dismissed the 35-hour proposal as "silly and dumb." At a meeting last week of his governing Christian Democrats, Family Minister Heiner Geissler warned: "Unless the unions rethink their role in society, sooner or later they will be out on the fringes. The lessons of the 1980's and the 1990's will throw up new social issues that cannot be answered with fundamentals belonging to the 19th century." The Christian Democrats, having made significant inroads into blue-collar bastions in last year's election, hope to appeal over the heads of union leaders to the wavering rank and file. But protracted strikes could embitter labor and management, rally other unions to the I.G. Metall banner and undo the economic upswing that Mr. Kohl is counting on to reap more working-class votes in next year's vital state election in North Rhine-Westphalia, where 17 million of the 61 million West Germans live.

Hoping to recover lost blue-collar sympathies, the opposition Social Democrats have warmly embraced the 35-hour goal. Ulrich Steger, a Social Democratic economic expert, cited the 30-year pattern of converting steady productivity increases into wage increases and reduced working time. He cited figures showing that from 1975 to 1982, West German industial productivity increased 20 percent, Japan's rose 25 percent and the United States's, 3.6 percent. A compromise acceptable to I.G. Metall would be politically beneficial to the Social Democrats, Mr. Steger said. "A defeat and a weakened I.G. Metall, that would be bad for us," he acknowledged.

Without showing all their cards, the unions have made clear they would settle for less than their announced objective. And Gesamtmetall has hinted that it might consider shorter weeks and early retirement for older workers. One automobile manufacturer, BMW, has proposed a 36-hour week — if employees work Saturdays. But the battle lines were already being drawn. Printers have started wildcat newspaper strikes in support of the 35-hour week.

West Germany has been relatively free of strikes. It has little of the class bitterness that poisons labor relations in Britain, Belgium and France. As the first big labor dispute of the Kohl era got under way, everybody seemed to be quietly hoping that it would be short.

French Dairy Farmers Protest Order to Cut Production

It's a Very Bad Year For Milk

By E.J. DIONNE Jr.

ST. SAMSON DE BONFOSSE, France — "Look around you: It's all white," said Alain Lambert, pointing to the rolling countryside of distinctly green fields and woods. "It's white on your left and it's white on your right," he continued stubbornly. "Without all that white, this region would die."

Mr. Lambert was talking about milk, and to hear him and the farmers of this region talk, milk is to this part of Normandy what oil is to Saudia Arabia. Mr. Lambert, who works for l'Union Laitière Normande, the milk producers' cooperative, gives plenty of statistics to show that the thousands of cows that low along the scenic roadsides should be treated with the respect accorded to creators of wealth everywhere.

These are days of fear and resentment in French cow country. Earlier this year, the 10-nation European Common Market slapped quotas on its dairy farmers that reduce subsidized milk production by 2 percent from last year. This means that farmers will no longer be able to produce unlimited quantities of milk at protected prices, and many of them are deeply worried about their future.

The European Community has embarked on a change in its agricultural policy that could gradually end a way of life for Europe's farmers, and particularly the French. Faced with British demands for cutbacks in agricultural subsidies — which amount to about two-thirds of the Community's $24 billion annual budget — the Common Market agreed on the milk quotas and other changes to scale back spending. Farmers are unsettled by the change, after a long period during which, as one put it, they were told to "produce more milk to save France."

"It's completely idiotic," said Jean-Phillipe Osmond, who at 25 is just starting up a dairy farm in Gieville near here. Mr. Osmond agreed with critics of French agriculture that this country's farms were behind the times. But like anyone affected by program cuts, he was not happy about the way the Common Market was going about it.

"I want to modernize," Mr. Osmond said. "But to modernize, you have to invest." Depending on how the milk quota was organized, he said, young farmers like himself might be strapped for cash and unable to find capital.

To the detractors of French farmers, such as Britain's Prime Minister Margaret Thatcher, Mr. Osmond's remarks sound like special pleading. And indeed, help to French agriculture was an important element in France's original interest in the Common Market.

When it was set up in 1955, the Common Market was essentially a bilateral deal between France and West Germany. In compensation for superior German competitive strength in industry, France would gain West German markets for its lower cost farm products. But it was not until the end of 1961, after France threatened to hold up any further steps toward an integrated industrial market, that the deal was consummated and a common agricultural policy was established. France's increased sales of agricultural goods in West Germany helped to keep more of its farmers on the land, slowing the migration from farms to the big cities. West Germany got to export more of its industrial goods to France.

In some ways, the policy was quite successful. France maintained a large and socially stabilizing agricultural population. There was only gradual migration to the cities. Today, some 8 percent of the French work force is in agriculture, compared to less than 6 percent in West Germany and about 3.5 percent in the United States.

But one cost was a steady deterioration in French farmers' ability to compete, because the incentives to modernize were weak. French milk farming is a typical example. In 1983, the average French cow produced some 3,810 liters of milk per year, compared to 5,138 liters per cow in Denmark and 5,117 in the Netherlands.

"It's clear we have to do something, we have to catch up," said an official of a dairy cooperative who asked not to be named. "What we're worried about is that these quotas will freeze production at a time when we're behind, and we might never catch up."

Reducing subsidies will over the long run force inefficient and generally smaller farmers out of business. For France, it will mark a second agricultural revolution, pushing more people off the land and into cities. And this at a time when the traditional industries are also modernizing and urban unemployment is rising.

The New York Times/Peter Turnley

Jean-Phillipe Osmond on his dairy farm in Gieville, Normandy.

"There will be a lot of noise in early August," predicted Roger Rohée, a 59-year-old dairy farmer in Domjean. Mr. Rohée is typical of the smaller farmers who might be hurt by the change. He says his advantage over younger farmers is that he will retire soon, and that he persuaded his children to get out of farming.

Some French farmers suggest that the Government pension off the older and less efficient farmers to ease the transition to a leaner system. But he also acknowledges that such subsidies are exactly what the Government, already in the midst of an austerity program, cannot afford.

"We don't evolve quickly in the countryside," Mr. Rohée said sadly. "We know we're late. We know we have to modernize. But it will be very, very hard."

Bangladesh Objects to India's Barbed-Wire Border

There's No End to the Subcontinent's Subdivisions

By WILLIAM K. STEVENS

NEW DELHI — The campaign of murder and terror that has afflicted the green and golden prairies of Punjab for the last 21 months goes on, with no end in sight. Every week, 8, 12, 16 people die. The Punjab troubles threaten to widen into the most serious civil conflict since shortly after India's independence in 1947. They have placed Prime Minister Indira Gandhi's Government under an election-year cloud, restricted her freedom of movement and called into question the ability of the system to deal with conflicts inherent in Indian society.

Nearly 1,300 miles south of here, on the beautiful tropical island of Sri Lanka, ethnic Tamils and Sinhalese are at each other's throats, placing democratic institutions in jeopardy. And to the east and west, in Bangladesh and Pakistan, military Governments are struggling to keep the lid of martial law on political violence that nevertheless breaks out in lethal cycles of rebellion and repression.

Four different countries, four different sets of circumstances, four seemingly unrelated dynamics at work. But the four have much in common. Their similarities reveal much about the difficulty of establishing and maintaining liberal democracy in this considerable slice of the third world, where political emotions tend toward the volcanic. "The problem of political violence in developing societies is a problem of a great magnitude," writes Radhika Coomaraswamy, a Sri Lankan political scientist. She perceives a crisis of transplanted Anglo-American institutions as they grapple with South Asian social and political realities.

Political violence is of a different character than in Central America and the Middle East, with their armed insurgencies and wars. But it seems to be almost a routine, built-in part of public life. Someone, it seems, is always killing someone else over political differences, with the result that governments often seem strained beyond their capacity to cope.

Talks with officials, academics, journalists, ordinary citizens and political activists throughout the region in recent months suggest that most South Asian political violence shares three interrelated characteristics:

It is rooted in the desire of competing groups for a larger share of an economic pie that will never be big enough.

It is infused with emotion because the competing groups often break along religious and ethnic lines established centuries, even millennia, ago. The divisions are so deeply rooted as to be all but intractable.

And it is carried out mostly by frustrated young people whose expectations have been awakened by the opening up of previously closed post-colonial societies.

In Sri Lanka, groups of terrorists fighting for a separate Tamil state are said by members of their communities to consist largely of young men shut out of universities by affirmative-action programs designed to give Sinhalese a bigger share of places. In Assam on the India-Bangladesh border, last year's carnage was set off by student activists seeking the deportation of illegal Bangladeshi aliens who were seen as a threat to the identity and future of the Assamese. Last week, Bangladesh said India had agreed to suspend the erection of a barbed-wire fence along the border, which had set off shooting incidents with at least two deaths.

In Pakistan, President Mohammad Zia ul-Haq last year faced the biggest threat to his seven-year rule, not so much because of grass-roots passion to restore democracy, but because of the jealousies of ethnic Sindhis who saw themselves as victims of discrimination by his Punjabi-dominated Government. And now, General Zia faces a new threat from militant students in Karachi, the Sind provincial capital, and other major cities. Such groups pulled down the governments of his predecessors, Zulfikar Ali Bhutto and Gen. Mohammad Ayub Khan.

In Bangladesh, students are the spearhead of a sustained anti-Government campaign aimed at restoring democracy in such a way that all competing interest groups would share in political power. Political power, in South Asia, translates into economic power as well.

And in Punjab, groups of radical Sikh students, fired by religious zeal, are largely blamed for the terrorism that is said to have led to more than 180 deaths this year. Rajendra Sareen, an Indian sociologist, ascribes the troubles largely to "youth, who may be moved by the highest motives, but who have no worthwhile activity in which to engage." Such youths, he said, "are coming more and more into the political arena. It is the Punjab now. But we are going to have this problem more and more, all over the country."

Americans Kidnapped in Sri Lanka

In some instances, the turmoil stirred by militant youths diminishes young people's legitimate opportunities in the long run. The campaign by Tamil terrorists in Sri Lanka is blamed for halting foreign investment that was beginning to expand the economy. Last week, Stanley B. Allen, the American manager of a Government water development project, and his wife were kidnapped in Sri Lanka. Their captors demanded $2 million ransom and the release from custody of 20 Tamil prisoners.

Violence has similarly choked off promising industrial growth in the relatively prosperous Punjab.

In almost every case, moreover, political violence has led to antidemocratic repression by governments that seemed unable to handle the situation.

Thus, in Sri Lanka, civil liberties have all but vanished in the parts of the island where terrorism is strongest. More ominously, the army, made up mostly of ethnic Sinhalese who have launched a campaign of deliberate terror against Tamils, seems to have slipped out of Government control.

The Indian Government, showing either great patience and restraint or marked inability to act, has yet to clamp down hard in Punjab. Whether it will, and what might ensue, are regarded as major tests of Indian democracy as it deals with the explosive society in which it must function.

Gamma-Liaison/Pablo Bartholomew

Sikh nationalists with bodies of comrades killed in clashes with police in Punjab last month.

The Odds Are Against the Opposition in Tomorrow's Elections

A Referendum on Marcos, His Rule and His Relatives

By ROBERT TRUMBULL

MANILA — More than 1,000 candidates are running for 183 National Assembly seats in the Philippine elections tomorrow. But the campaign, at least on the Government television network, has sometimes resembled a drama of one man's family.

Imelda Marcos, the politically powerful wife of President Ferdinand E. Marcos, surprised political observers by announcing that she would not run for re-election to Parliament. She remains governor of metropolitan Manila and local leader of the Marcos party. Mr. and Mrs. Marcos are seen on the television news every night, sometimes dispensing the largesse at her disposal in her other role as a Cabinet minister.

Their 28-year-old elder daughter, Imee Marcos Manotoc, is a candidate in the family's home province, Ilocos Norte, where Ferdinand E. Marcos Jr., 25, is Governor. Mrs. Marcos's brother, Benjamin Romualdez, the Philippine Ambassador to Washington, is running in his hometown, Cebu, in the central Philippines. Both relatives are heavy favorites. So is the Marcos party.

Things have become very personal. The principal opposition group, the United Nationalist Democratic Organization, or Unido, nominated the former wife of Imee's husband as a candidate in Manila. She is Aurora Pijuan Manotoc, who was Miss International Beauty in 1970. Mrs. Marcos's reaction was stormy. "How low can they get?" she said on television. "The opposition is truly sick, cruel and mean. Poor Imee is still in the Makati Memorial (medical) Center trying to get over a painful and traumatic experience in the loss of a child."

Her daughter had been persuaded to run to circumvent a deadlock between two Marcos lieutenants in Ilocos Norte. A week later, Mrs. Manotoc suffered a miscarriage. She made early campaign appearances in a wheelchair. Melodrama had touched her before. She secretly married Tommy Manotoc, a basketball coach and businessman, in the United States after he had divorced the beauty queen in the Dominican Republic; divorce is illegal in the Philippines. Soon after returning home, he was kidnapped. His parents blamed the Marcos family, who were known to disapprove of the marriage. Mr. Manotoc reappeared a month later, saying he had been kidnapped by the Communist New Peoples Army.

Pressure for Fairness

Tomorrow's national election will be the first since President Marcos ended eight years of martial law in 1981. He retains powers to order summary arrests, proclaim laws and to abolish Parliament. These powers and the economy are the main issues in the campaign.

The assassination last August of former Senator Benigno S. Aquino Jr., Mr. Marcos's principal challenger, uncorked emotions that had been bottled up for years. Anti-Marcos demonstrations in Manila and other cities, although nearly all nonviolent, caused apprehension about stability, and a disastrous flight of capital. Foreign bank credit abruptly stopped, leaving the country with more than $25 billion in debts it cannot pay. Mr. Marcos came under extreme pressure from businessmen and the State Department, whose priorities include the security of important American military bases.

Hoping to ease these concerns, Mr. Marcos guaranteed that tomorrow's election would be "free and fair," in contrast to the generally-held image of previous voting. But when the campaign formally opened in March, Mr. Marcos abandoned his conciliatory tone. He made retention of his extraordinary powers his central theme, deriding the former system of American-style checks and balances as fraught with "deadlock and stalemate." He accused critics, including by inference Mr. Aquino, of encouraging the Communist-led insurgency that has produced pockets of rebellion in every province. His economic aides also went onto the offensive. Prime Minister Cesar E. A. Virata argued that heavy borrowing abroad has been good for the Philippines, providing roads and other nation-building infrastructure, instead of being the fiscal catastrophe that the opposition says it is.

The opposition is hopeful. Former Senator Salvador Laurel, head of Unido, predicts it will win 60 of the 183 seats at stake if the vote is "reasonably fair;" if not, 40 seats. Detached political analysts, noting the Marcos's organizational and financial strength, say Mr. Laurel is too optimistic. A boycott, organized by people who say that no election under this regime can be fair, is expected to hurt the opposition more than the Marcos party.

Accusations of illegal practices, such as vote-buying, are common. The elections commission has ordered reregistration in five cities and 45 towns because of reported irregularities. Several hundred people have been killed in pre-election violence, most of it officially attributed to Communist guerrillas. Mr. Marcos has laid down his defense in advance. Foreign reporters were "already shaping public opinion around the world to conclude," he said, that if his party wins "then the elections will have been dishonest and disorderly, and if the opposition wins they will have been honest and peaceful."

Gamma-Liaison/Steve Liesau

Imee Marcos Manotoc

Washington Hopes for Stability After 16 Years of Military Rule

Panama's Long Count Stirs Up Some Old Political Tensions

United Press International

Supporters of presidential candidate Arnulfo Arias Madrid demonstrating in Panama City last week.

By STEPHEN KINZER

PANAMA — Panama is not generally considered part of Central America, but the canal that runs through it accounts for much of the United States's strategic interest in the region, as President Reagan stressed last week in his television address.

The violence that erupted following Panama's first presidential election in 16 years last Sunday heightened American concern. Gunfire broke out as backers of the two leading candidates converged on the legislative palace where the votes were being counted, leaving one demonstrator dead and 40 injured.

The immediate cause of all the trouble was the cumbersome and sometimes irregular vote-counting system that kept Panamanians in suspense, as it has so often in the past. By the end of the week, neither Nicolás Ardito Barletta, a soft-spoken economist who is the officially backed candidate, nor his aggressively populist opponent, three-time president Arnulfo Arias Madrid, had been proclaimed the winner.

Mr. Barletta, who has spent the last seven years in Washington as vice president of the World Bank, was chosen to be the ruling coalition's candidate because he was thought not to have been tainted by its failures. "For me to be a pawn of the military would be against everything I believe and everything I have done in my life," he declared before the election.

Dr. Arias scorned the suggestion that Mr. Barletta would be able to act independently of the officers who helped select him as a presidential candidate. "He is the candidate of the military and all the corruption and immorality the military has brought us during these years of dictatorship," he said last week. "I am the only person who can push them out of government once and for all."

Few men in Panamanian history have aroused such intense emotions as Dr. Arias, who was elected president for the first time in 1940 and was thrown out 15 months later. To his supporters, who include a good part of the poor population of Panama City and Colón, he is the man who has stood up to the military for half a century and suffered exile and imprisonment for his fierce independence. To his enemies, he is a dangerous autocrat and demagogue, still guided by the impulses that led him to sympathize with the Axis powers during World War II.

As the slow vote-counting continued and accusations of incipient fraud circulated, the election seemed a replay of previous ones. In the 1948 election, Dr. Arias was declared the loser after a tabulation that took five months to complete. But when his supporters took to the streets, election officials agreed to a recount. It took one day, after which Dr. Arias was declared the winner. With the help of the National Guard, he was again thrown out, this time after two years.

In 1968, officials took two weeks to count the votes. Dr. Arias emerged the winner, but after 11 days in office he was overthrown by the guard when he tried to dismiss some National Guard officers, shift others and move supporters into command positions.

During his 1984 campaign, Dr. Arias won the support of many Panamanians who do not like him but share his determination to force the military back to its barracks. Since it overthrew him in 1968 for the third time, the National Guard has run Panama and there is widespread fear that it is trying to become permanent arbiter of national politics. "I never thought I would find myself voting for this madman," said a college-educated Arias voter before the polls opened Sunday. "But I am just fed up with having the National Guard running the country."

In the 81 years since Panama broke away from Colombia with Washington's blessing and help, the military has repeatedly intervened in the country's disorderly politics. Concern over the security of the American-controlled canal and the zone around it led to United States military intervention in 1908, 1912 and 1918. The canal itself was a constant irritant to Panamanian nationalists and a cause of sporadic disorders until the United States agreed in 1977 to relinquish control and withdraw its troops by 1999.

With much at stake, American diplomats have been working behind the scenes since Sunday's election to preserve peace, but have been careful not to back one candidate over the other. "The overriding American interest here is stability," said Carlos Rodríguez, who ran for vice president on the Arias ticket. "They don't want to be identified with one side, because they know they'll have to deal with whoever comes out on top and they don't want to make any enemies."

This is probably Dr. Arias's last hurrah. He is nearing his 83d birthday and is in failing health. One of his backers, Guillermo Alberto Cochez, warned as the vote count dragged on that "our people are not going to stand for being defrauded once again. If the Government does not declare Arias the winner, there is going to be chaos." Others tried to be reassuring. "There is no desire for conflict," President Jorge Illueca said. "Panamanians want the votes to be counted, they want a winner to be proclaimed and then they want to get back to work."

The Economy

New Studio Bids for Movie Stardom

Tri-Star gets under way with 'The Natural.'

By SANDRA SALMANS

LOS ANGELES

THERE was all the excitement of a bygone Hollywood for last week's debut of Tri-Star Pictures' first production, "The Natural," starring Robert Redford. The movie, shown at a gala premiere in New York and at a by-invitation-only screening here, is about a baseball hitter blessed with mythic power and cursed with bad luck — one who, invariably, either smashes the ball into the bleachers for a home run or strikes out miserably.

It's not a bad metaphor for Hollywood. Indeed, given the vagaries of the movie business, both Tri-Star and its film could meet either fate. But whatever the weekend box office, Tri-Star is determined to a become a force — an "instant major," company executives call it — in the movie industry. A major, in the Hollywood lexicon, is a company that distributes upwards of 15 movies each year, some that it has produced itself, others "picked up" from producers elsewhere. By most counts, there are only six majors left today: Columbia, MGM-UA, Paramount, Warner Brothers, 20th Century-Fox and Universal (Walt Disney Pictures' production has dropped too low). And the odds against Tri-Star making a seventh are daunting. Not since 1924, with the formation of Columbia Pictures, has any company succeeded in becoming a major.

While veteran Hollywood observers say that they have seen it all before, Tri-Star's strategy differs from that of the existing majors and other would-be majors in several key areas. And those differences may be enough to get the studio all the way to home plate.

Tri-Star is a partnership of three powerful entertainment companies: Columbia, which is using it to expand its role in the movie business; CBS, which is seeking to build up both its modest movie operation and its supply of films for network use, and HBO, the Time Inc. subsidiary that, as the nation's largest pay-cable service, is desperate for new films to air on an exclusive basis.

Tri-Star has assembled a structure for financing — from banks, outside investors and advance sales to ancillary markets as well as the three partners — that, management claims, will make its movie-making virtually risk-free. That sort of claim is received skeptically by industry veterans but, at least on paper, the arithmetic looks good. Tri-Star is starting its corporate life with a capitalization of nearly $1 billion, which is not only a respectable sum by the standards of any major studio, but an unattainable one for other newcomers. Victor Kaufman, the former Columbia executive who heads the new studio, explained in an interview last week: "We needed a very large number for people to believe we'd be here forever."

Although the established studios are dazzled by the number, they have their doubts about forever. Despite the money, they say, Tri-Star faces several major obstacles. Top executives at rival studios, who asked not to be named, suggest that the differing needs of the three Tri-Star partners could create conflicts of interest that might damage the operation — and that, ultimately, it is HBO's interests that are likely to be best served.

Moreover, these executives question Tri-Star's ability to get its movies into the theaters at a time when all the studios are stepping up production.

Studio heads interviewed here also suggest that Tri-Star is paying too much for too litle. "They're basically getting projects that have been turned down by other companies," said Frank Yablans, chief operating officer of MGM/UA. Tri-Star's entry into the business comes at a time when the market is already glutted with new production companies and product, said Michael Eisner, president and chief operating officer of Paramount. While Paramount plans to hold the line on costs, he said, all the new deal makers together "have created a frenzy that has set new levels for actors, directors, writers and executives."

For the moment, however, Tri-Star seems to be hitting all the balls. Formed only a year ago, the company has put together an impressive release schedule. "The Natural" — the first of this summer's movie crop and Mr. Redford's first film in four years — has been booked into 1,000 theaters. The studio plans to follow that in July with "The Muppets Take Manhattan" and "Meatballs III." A host of other pictures are in various stages of production, with actors such as Tom Selleck and Sally Field, and directors including Robert Benton ("Kramer vs. Kramer"), Alan Parker ("Midnight Express") and Phil Kaufman ("The Right Stuff"). And, whatever other studios think of the quality and price of their new competitor's releases, Tri-Star has picked up some possible blockbusters: "First Blood II," "Supergirl," "Santa Claus." All told, Tri-Star will release 11 movies this year, including two Christmas pictures, and 15 in 1985. Tri-Star plans ultimately to release about 25 pictures per year, of which it will produce about 15.

That kind of schedule is vital to a major studio, Victor Kaufman noted, partly because a distributor must be able to assure exhibitors that it can keep the pipeline filled. Then too, movie-making is a risky business and a studio improves its odds by diversifying its bets. Statistically, "if you make or acquire 15 to 18 pictures a year, you will have a fair share that work successfully," he said. "This is a volume business, where you can make money from the distribution of a large number of pictures through the system."

One studio executive jibed that Mr. Kaufman's emphasis on volume owes more to Coca-Cola, which owns Columbia, than to the art of making movies. And although Mr. Kaufman's stand on how to play the odds are pretty much accepted Hollywood wisdom, some of the things Tri-Star is doing to reach that volume have Hollywood annoyed. In the time-honored tradition, executives say, the newest studio is trying to buy its way into the market and bidding up prices for screenplays, for talent, for pickups of other's films. "If you're a major producer or a star, you would probably put Tri-Star at the bottom of your list," said Harold Vogel, an analyst with Merrill Lynch. "So Tri-Star must offer sweeter deals, better participations."

One example: MGM/UA turned down the sequel to "First Blood," Mr. Yablans said, "because I couldn't make a deal that was acceptable on a prudent business basis." Tri-Star snapped it up.

Tri-Star executives defend their "First Blood" deal and others. "We are paying what we think is the right amount for us," said Mr. Kaufman. While budgets range from $5 million to $20 million, he added, the studio's average is the same as the industry's: about $12 million. Tri-Star executives do say that the studio is giving profit participations to more film makers, and structuring those deals differently. Given Hollywood bookkeeping, profit participations have often been meaningless, even when the film has done well at the box office. "We try to come up with deals so that people get participations earlier, and they're larger," said Gary Hendler, Tri-Star's 44-year-old president, and a former entertainment lawyer.

If the industry assumes Tri-Star is a spendthrift, it is only partly due to the deals it has made. Another factor is undoubtedly that extraordinary $1 billion capitalization, only $200 million of which was put up by the partners themselves, with another $200 million from a bank line of credit. Another $100 million to $150 million comes from HBO, again, and limited partnerships with individual investors. The rest of the money, an estimated $500 million, comes from advance sales to HBO, CBS and home video, with HBO accounting for the lion's share.

The financing package reduces Tri-Star's risk to practically zero on each picture, Mr. Kaufman said. Outside financing covers half of Tri-Star's cost in making movies, he said. Added to presales, it covers 100 percent of production costs and half of the distribution costs — on average, about $6 million per film. That leaves Tri-Star at risk only for the other half of distribution costs, about $3 million. According to management's calculation, Tri-Star's finances allow the company to cover its costs with lower box office rentals — the sum left to the studio after the exhibitor has taken his share — than virtually any other moviemaker. "If we can earn somewhere between our marketing investment and our production cost in film rentals, we will do well," said David Matalon, Tri-Star's executive vice president of marketing and sales.

Other studios, most of which are also using some combination of presales and outside investors to reduce their risks, say it is not that easy. No matter how the financing is structured, they say, the movie business is never risk-free.

Mr. Kaufman, a lawyer who was then a senior executive at Columbia, came up with the idea for Tri-Star two years ago during his daily commute from Long Island into New York. The venture, tentatively named Nova, got under way a year ago. It was not until September that the Justice Department — which had earlier vetoed a separate movie-and-cable consortium — gave its approval to Tri-Star.

Mr. Kaufman became chairman, based in New York. Mr. Hendler, formerly a partner in the Los Angeles law firm of Armstrong, Hendler & Hirsch, and one of the most prominent entertainment lawyers in town, became president. A third key executive is Mr. Matalon, the former theatrical manager of Columbia Pictures International. The company is overseen by an executive committee with two representatives from each corporate partner, directed by Francis Vincent, chairman and chief executive of Columbia Pictures Industries.

INVESTING / Eric N. Berg

Rethinking the Meaning of Dividends

Investors are enamored of them, but experts maintain lower payouts would keep stock prices higher.

DIVIDENDS may not be the stuff of suspense novels, but so far this year they have made headlines. A reinvigorated Chrysler reinstated its quarterly payout, American Telephone and Telegraph threatened to cut its dividend for the first time ever, two big utilities — Long Island Lighting and Public Service of New Hampshire — halted their common stock dividends, and just last week, General Motors surprised Wall Street by raising its quarterly payout by 25 percent.

But whether dividends are actually good for shareholders is not altogether clear. While some old-line companies, such as General Electric, have paid dividends for years, rapid-growth, high-tech concerns, such as Apple Computer, often do not pay dividends at all. Nor is the meaning of dividend changes easy to decipher.

A dividend cut, for example, could be good news if a company is plowing back funds into promising ventures. Moreover, as the economy changes to high-technology oriented industry and as companies spend more on research and development, such a trend to leaner dividends could become more pronounced. Consequently, the American investing public may have to depend less on dividends for total returns.

In fact, there is a growing sentiment that the roll of dividends should be played down and that cash payouts, because they are taxed more highly than long-term capital gains, are actually a very costly way to compensate shareholders.

"Why firms continue to pour out vast quantities of dividends in the face of these tax differentials is one of the great puzzles of our time," says Merton H. Miller, the Leon Carroll Marshall Professor of Finance at the University of Chicago.

In fact, for more than two decades, academicians, Wall Street professionals and corporate executives have struggled to understand the role of dividends in investing, and in particular to determine if companies might better serve shareholders by reinvesting profits.

Some, like Prof. Robert Litzenberger at Stanford University, have done studies suggesting that corporations might increase their stock prices by reducing dividends. Others, such as John F. Childs, a dividend expert at Kidder, Peabody & Company, argue that dividends are vital to cushion shareholders against losses and to signal managers' confidence — or lack of it — in their companies.

A third group, led by Professor Miller, argues that dividend policies usually do not matter — and sometimes can penalize shareholders. For the average investor, he says, bleeding out more cash in the form of dividends does not make shareholders any richer. And wealthy, high-tax-bracket individuals, he adds, are better off with a dollar of capital gains than with a dollar of dividends.

"Paying out funds as dividends may bring you applause for your generosity at the annual meeting from some of the odd-lot holders who have nothing better to do than eat a box lunch at your expense," Professor Miller says. "But it can be a considerable imposition on your upper-tax-bracket stockholders."

Nevertheless, there is no denying that just as Americans love their cars, so Americans relish their dividends, and for good reason. At T. Rowe Price, Gordon L. Croft, manager of that investment company's Growth and Income Fund, reports that investors who bought a diversifed portfolio of stocks in 1972 and held them to the end of 1982 would have received the majority of the return in dividends than in price appreciation.

Indeed, despite the argued drawbacks to dividends, specialists agree that groups of investors such as retirees, wealthy individuals whose income is mostly sheltered, and nontax-paying organizations, are mostly likely to prefer high-dividend stocks. In buying these issues, analysts offer a number of tips. Mr. Childs, for example, favors the purchase of stocks whose dividends increase at a constant percentage each year. He also advises investors not to give too much weight to one-time dividends. Mr. Croft says that generally dividends should come out of operating earnings. Finally, it is widely agreed that dividends in the form of stock do little for shareholders. They only increase the amount of paper outstanding on an unchanged company.

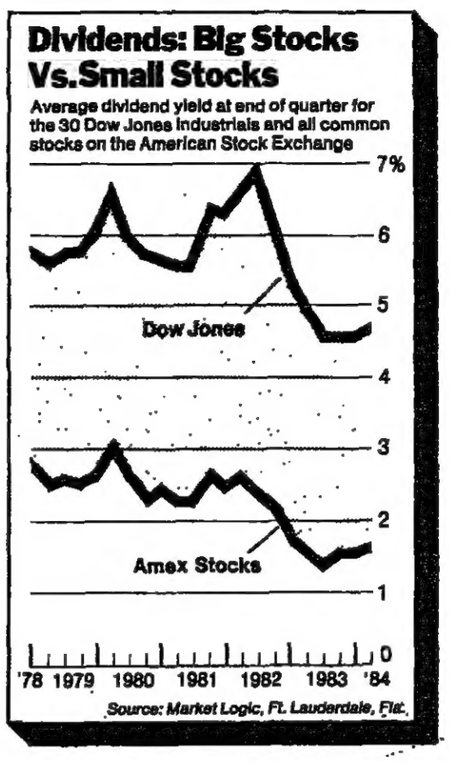
For investors, the appeal of dividends is that in addition to providing certain current income, dividends reveal much about a company's health. Unlike reported profits, which do not necessarily translate into a strong, positive cash flow, dividends are by definition cash payouts from a company's pool of retained earnings. Provided, therefore, that the dividend does not come from a one-shot event such as sale of an asset, experts say dividend payments provide the most compelling evidence of a company's basic profitability.

It follows logically that when a company changes its dividend, it is sending a message to investors. A dividend increase signals that earnings are expected to rise, whereas a dividend cut means earnings are about to nosedive.

BUT not all dividend cuts signal bad news. Some companies, for example, decide to scale back their payouts to reinvest in research and development. Such was the case at Gould Inc., which decided in the early 1980's to shift from its core, low-tech business of battery making to high tech. Realizing that such a corporate transformation would require high capital spending, Gould last year cut its annual dividend by more than half — to 68 cents from $1.72. But Gould's stock price did not suffer because investors apparently realized the company was beginning a new strategy.

Similarly, when the ITT Corporation failed, as expected, to raise its dividend last year, opting instead to plow profits into new communications equipment, ITT's stock price rose. "The company said it had better places to put its money than in a dividend," said Mr. Croft of T. Rowe Price. "Investors respected that."

It is, in fact, partly a result of such actions that an intellectual battle still rages about whether dividends are truly in investors' best interests.



The University of Chicago's Professor Miller, for example, argues that if a company is not changing its borrowing or investing policies, the only way it can finance a larger dividend is by issuing more stock. In other words, he says, any benefit stockholders derive from an additional dividend is offset by a loss of control, and shareholders aren't better off.

Professor Litzenberger, meanwhile, argues that since investors pay higher taxes on dividend income than on long-term capital gains, high-dividend stocks must sell at a lower price, and pay higher pretax returns, than low payers. If this is so investors of all types might see their stock prices rise if dividends were pruned.

A wholesale reduction of dividends, however, seems unlikely, particularly if interest rates continue to rise. In that case one way companies could continue to lure investors to the stock market would be by increasing dividends.

Nevertheless, even staunch supporters of high payouts, such as Kidder's Mr. Childs, say dividends should be used less to convey a company's position today and more to convey its earning power over the long haul. "I tell managers that they should be stingy with their dividends when earnings are high and generous with dividends when earnings fall," Mr. Childs said. "The key is to have a sustainable dividend which matches a company's long-term earning power."

WEEK IN BUSINESS

A Mixed Blessing for Phone Users

Lower long-distance rates mandated in a Federal Communications Commission order to the American Telephone and Telegraph Company marked the first in a promised series of sweeping phone rate changes. The 6.1 percent reduction will bring the rates of A.T.& T., with 94 percent of the market, more in line with its discount competitors, although MCI said it would end its monthly fees. The competitors received a break from the F.C.C. in the form of lower fees to connect to local networks. Other changes ordered by the F.C.C. will add to phone costs: Charges will be imposed for long-distance directory assistance and businesses with multiple lines.

Whither the Economy? Erratic economic indicators continued to puzzle analysts, who have been alternately worrying about an overheating economy and a stagnant one. A 2.9 percent rise in retail prices in April renewed fears of higher interest rates. But producer prices were flat in April, and inflation at the producer level was running at a moderate 4.4 percent pace. Economists disagreed whether the prime rate's increase to 12½ percent reflected a tightening of monetary policy by the Federal Reserve, or an attempt by banks to capitalize on the unexpected demand for commercial credit. President Reagan, while not placing the blame for the higher rates, said he was not pleased by them.

Neither were third-world debtor nations, whose interest payments are often tied to the prime. Argentina said the $600 million in extra debt from the latest rise endangers "social peace." The Fed is trying to get banks to limit the interest charged on such loans.

Credit markets reacted with higher interest rates and a falloff in investor demand as more worried about tightening monetary policy. The rate climb was helped by negative reaction to a $2.4 billion increase in the M-1 basic money supply measure.

The bearish stock market had another erratic week. The Dow Jones industrial average ended at 1,157.14, down 8.17. Volume was off.

Martin S. Feldstein, often considered a thorn in the supply side, is quitting as chairman of the Council on Economic Advisers. His disagreements with Administration policies, and especially with Treasury Secretary Regan, earned him the approval of Reagan opponents. But his departure to return to Harvard, which was expected, could ease the tensions in an Administration trying to maintain an even keel in a rocky economy.

In the three trading days after Teledyne offered to buy back up to 25 percent of its own shares at a premium price of $200 a share, its stock surged $37.62½, to $193.37½. Analysts say this latest buyback may be intended to drive Teledyne shares even higher by increasing its per-share earnings, or to prevent the company from becoming atakeover target. The electronics conglomerate's chairman, Henry E. Singleton, isn't explaining.

Non-bank Banking Ultimatum. The Comptroller of the Currency told Congressional officials that he expected them to enact some rules governing non-bank banks, which do almost everything banks do except make commercial loans. If no action was forthcoming, the Comptroller said, he would approve scores of applications; to prove his point, he approved several. The failure of officials to enact rules could lead to a breakdown in the barriers to nationwide banking.

City Investing received a $2.3 billion bid for a management buyout from a group headed by Merrill Lynch Capital Markets. When the $50-a-share offer was made, Oppenheimer & Company dropped its plans for a competing bid.

The S.E.C. wants to make it tougher for companies to fight takeovers in the manner that Carter Hawley has. It proposed to ban or limit such tactics as golden parachute compensation clauses for company executives and poison pill measures to dilute stock holdings. The recommendations, many of which would have the effect of expediting takeovers, are in contrast to measures being studied by other segments of the Government to limit the mega-mergers in such industries as oil and steel.

U.S. Sentras. Nissan said it would start production of the popular passenger cars next year at its Smyrna, Tenn., plant, which already produces trucks. The decision came earlier than most analysts had expected.

Miscellanea. Rapid-American, which owns the nation's No. 2 variety-store chain, said it bought a 3 percent stake in No. 1 Woolworth on the open market, leading to rumors that it was thinking of a takeover ... General Electric Credit agreed to buy Employers Reinsurance from Texaco for $1.08 billion in cash ... I.B.M. introduced the first part of its local area network to link computer systems, but delayed the expected introduction of a full network by a year or more ... A Delaware court blocked Royal Dutch's bid for the rest of Shell Oil, but Royal Dutch said it was proceeding anyway ... The Vatican bank was reported to have agreed to pay $244 million to creditors of the failed Banco Ambrosiano group.

The New York Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED MAY 11, 1984
(Consolidated)

Company	Sales	Last	Net Chng
AT&T n	7,261,400	15⅞	– ⅝
City Inv	6,263,900	41⅝	+ 8⅝
Exxon	5,942,200	42⅝	+ ½
Atl Rich	5,209,100	48¼	+ 2¼
Ford M	4,866,200	35⅛	– ⅜
Supr Oil	4,726,100	41¾	– ⅜
G Mot	4,713,900	63⅞	+ ⅝
IBM	4,363,800	111¼	– 1½
Contil	4,293,400	13⅜	– ½
Chrysler	4,087,100	22¾	– ½
Occi Pet	3,971,900	32	+ 1⅛
Mobil	3,404,700	29⅝	– ¾
RCA	3,158,600	36	+ 1
Sears	3,038,300	31⅛	– 1
UAL	3,034,100	35⅝	+ ⅞

MARKET DIARY	Last Week	Prev. Week
Advances	852	1,168
Declines	1,140	800
Total Issues	2,247	2,230
New Highs	58	91
New Lows	172	145

VOLUME (4 P.M. New York Close)	Last Week	Year To Date
Total Sales	439,584,760	8,569,134,718
Same Per. 1983	464,717,680	8,147,923,279

WEEK'S MARKET AVERAGES

	High	Low	Last	Net Change
New York Stock Exchange				
Indust	109.1	106.7	107.1	– 0.66
Transp	85.7	82.9	83.5	–0.93
Utils	45.1	44.5	44.8	+0.22
Finance	88.7	86.4	86.7	–1.63
Composite	92.7	90.7	91.2	–0.52
Standard & Poor's				
400 Indust	182.9	178.2	179.5	–0.76
20 Transp	138.8	133.4	134.8	–1.08
40 Utils	66.3	65.3	66.1	+0.64
40 Financial	17.0	16.4	16.6	–0.36
500 Stocks	161.3	157.4	158.4	–0.62
Dow Jones				
30 Indust	1182.4	1145.3	1157.1	– 8.17
20 Transp	519.5	494.9	502.0	+ 5.55
15 Utils	130.6	125.7	129.2	+ 2.80
65 Comb	464.5	449.3	454.1	– 1.81

The American Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED MAY 11, 1984
(Consolidated)

Company	Sales	Last	Net Chng
TIE	3,000,300	13⅜	– 3⅛
WangB	1,260,700	27	...
GHCd	809,900	14	– ⅞
GalaxyO	709,100	2⅝	+ 1
DomeP	574,500	2¾	– ⅛
Grangr	532,800	23⅜	– ½
Resrt A	519,300	40½	– ⅞
NY Times	431,100	29⅝	+ 1⅝
Sundnc	409,200	7¼	– 2⅛
BAT	408,500	3⅛	– ¼

MARKET DIARY	Last Week	Prev. Week
Advances	326	428
Declines	447	334
Total Issues	911	905
New Highs	17	28
New Lows	55	57

VOLUME (4 P.M. New York Close)	Last Week	Year To Date
Total Sales	27,847,185	569,721,690
Same Per. 1983	61,789,105	815,094,994

The New York Times

Founded in 1851

ADOLPH S. OCHS, Publisher 1896-1935
ARTHUR HAYS SULZBERGER, Publisher 1935-1961
ORVIL E. DRYFOOS, Publisher 1961-1963

ARTHUR OCHS SULZBERGER, Publisher

A. M. ROSENTHAL, Executive Editor
SEYMOUR TOPPING, Managing Editor
ARTHUR GELB, Deputy Managing Editor
JAMES L. GREENFIELD, Assistant Managing Editor
LOUIS SILVERSTEIN, Assistant Managing Editor

MAX FRANKEL, Editorial Page Editor
JACK ROSENTHAL, Deputy Editorial Page Editor

CHARLOTTE CURTIS, Associate Editor
TOM WICKER, Associate Editor

JOHN D POMFRET, Exec. V.P., General Manager
LANCE R. PRIMIS, Sr. V.P., Advertising
J. A. RIGGS JR., Sr. V.P., Operations
HOWARD BISHOW, V.P., Employee Relations
RUSSELL T. LEWIS, V.P., Circulation
JOHN M. O'BRIEN, V.P., Controller
ELISE J. ROSS, V.P., Systems

Proverbially Russian

Tell me again, comrade, why we can't go to Los Angeles to beat the tails off the Americans.

You'd rather have a pot of gold medals than affirm the honor of the homeland? You'd let them march against us, shout insults at us, lure our young people into defecting?

Those can't be your reasons. You would let a few demonstrators prevent a display of superior Soviet man and woman? You really worry about defections? Our athletes compete all over the capitalist world without succumbing to their lures. Olympic runners are not ballet dancers.

They are hooting about "captive nations" and they've done nothing to control the smog in Los Angeles. They are gassing the track!

You can hang a melon from a poplar, but only the fool will think the poplar a melon tree. You'll not persuade anyone with this long list of trivial excuses.

Be calm, comrade. Please understand that our pretexts need not be our motives. Why should we admit to a boycott and legitimize the Americans' kind of political warfare? Why should we admit revenge for the way they destroyed our Olympics four years ago and give them the satisfaction of knowing it still hurts?

Vengeance denied is no vengeance at all.

Oh, they will understand. We're not peasants who have to tolerate their war in Vietnam while they can smugly punish us for Afghanistan. It's cheap to eat grapes in the other man's vineyard.

But you're letting Reagan pose as the champion of peaceful competition. You are re-electing him.

No, comrade, you have it backward. Only necessity teaches a bear to dance. What he most wants for Election Day are phony negotiations to reassure his anxious people, smiling encounters that will let him boast how he scared us with his saber-rattling. We may not be able to defeat him, but we're not going to help him claim that his hostility makes us malleable.

Words, words, just words, comrade. No one has ever died of insults. When his farmers complained, he came begging to sell us wheat. At the first sight of blood, he fled from Lebanon. The world will yet teach him its ways without our having to strain so hard.

A wolf without teeth still ogles sheep. Reagan dreams of the teeth of his youth — nuclear "superiority" without American vulnerability, a "rollback" of Soviet power in Europe, a Soviet economy wrecked by the arms race, maybe a capitalist restoration in Moscow. Such a man's words are deeds, acts of hatred.

And ruining his Olympics will cool his passion?

It will redeem our self-respect. Half the world jumped through the American hoop in '80. Let them see that half the world now jumps through ours. That is how diplomacy must be waged. Treat us as equals and we can talk and compete in business and basketball. Treat us as illegitimates . . . threaten us with supremacy . . . then nothing is possible.

Reagan's re-election is highly possible.

The horse is often wiser than its rider. Besides, cows have more respect for the ugliest bull than for the handsomest ox.

The Market for Mothers

Telephones are ringing, restaurants are full, florists are happy. This is Mother's Day, the work of Anna Jarvis, who began lobbying for such a celebration in 1907, and who is reputed to have been at odds with her own mother. If so, she may have been propelled by guilt — a feeling with which most of us are all too familiar. Who among the millions now toasting Mom doesn't have a little something to feel guilty about?

But not as much as burdens the mind of the woman whose day this is. Because motherhood (and fatherhood, too) is composed of a series of choices. Pick up the baby or let him cry it out? Bend the twig or let it go at will? Punish or absolve? Whatever the decision, it's always in doubt. "If only I'd let her go to camp instead of keeping her at home," the mother says. "If only I'd taken him out of that school and put him in another."

Mothers are monuments to self-reproach — and none more so than those who have jobs outside the home. Some work because they love to, some because they have no choice, but few are free of qualms. That a mother's place is with her child is a notion hard to shake. But what of those women who've chosen that place? They, too, may have qualms about the risk *they've* taken.

If they should end up divorced, their income, and that of their children, will drop by an average of 73 percent. Should they be awarded child support, only 46 percent of them will get the full amount. Should they look for a job, they will discover what most working mothers already know: It's desperately hard to find safe, decent and affordable child care. Should they find a job, it'll probably be at the foot of the ladder.

Many mothers didn't choose the role, and some shouldn't have. But most mothers believe their lives would have been a little dreary, a little empty, had they not taken a chance on children.

So let the phones ring and the restaurants fill, and may there be a bouquet on every hall table. Today is the day on which all mothers — those who stayed home and those who didn't, those who've got husbands and those who haven't, those who are rich and those who aren't — should be encouraged to believe that all the choices were the right ones.

Marvelous MOMA

A helicopter, suspended from the ceiling, hovers over an escalator in the Museum of Modern Art, which reopens Thursday after a week of previews. The chopper is bright green, bug-eyed and beautiful. We know that it is beautiful because MOMA showed us the way to look at the 20th century — and rich we are for its teaching.

How many Americans have eaten a sandwich in the museum's garden, in the shade of a Rodin and Picasso's "She-Goat"? And learned in that basement that film is an extraordinary medium in which extraordinary talents work? And looked at that polished brass propeller and the Libbey tumbler and suddenly recognized the art in the utilitarian?

Do you remember the first time you saw "Starry Night" and "The Dream" and "Dance"? Are you among those who framed the posters and bought the catalogues and brought your children to see the mobile over the stairwell? If people all over the country were nervous about the five-year surgery at MOMA, it was because the patient on the operating table was a dear friend.

The surgery is a success. A lot has been gained — a glass-enclosed atrium, vastly expanded exhibition space, escalators — but the miracle is that nothing has been lost. There was always a curious intimacy about MOMA. For all that its collections were formidable, its ambiance was almost familial, and that intimacy remains.

Now, however, one can see many more of those collections and, because of brilliant juxtapositions, see them afresh. "I've just discovered a new painter," said a guest at one of the preview parties, "his name is Matisse." Discovery and rediscovery is, of course, what MOMA is all about. To go there now is to be astonished all over again.

Topics

Reversals

Olympic Race

Yes, it's an election year and, yes, the California Democratic primary is less than a month away, but that still doesn't explain the reaction of the Democratic Presidential candidates to the Soviet Union's withdrawal from the Olympics.

The Rev. Jesse Jackson's response was to beg the Russians to change their mind, perhaps hoping that his personal intervention could bring off another coup, like his rescuing an American pilot from Syria.

Senator Gary Hart blamed the Soviet action on Reagan Administration belligerence toward the Russians. There has been plenty of that, yet the prime cause of the withdrawal was nothing done by President Reagan. It was President Carter's withdrawal of America's athletes from the Moscow Olympics in 1980, to protest the Soviet invasion of Afghanistan.

Walter Mondale advised President Reagan to beg the Russians to change their mind: "Mr. Reagan, don't take 'nyet' for an answer." That may demonstrate solicitude for California, the site not only of the primary in June but also of the Olympics in July. And Mr. Mondale knows that by scorning such advice, the President would reaffirm his reputation for bellicosity. But what reputation does Mr. Mondale risk creating for himself by even making the suggestion?

Inconsistent. What would he have said in 1980 if a senior Soviet official had called on Leonid Brezhnev to beg the Carter-Mondale Administration to reverse itself? Probably something like, "Is he kidding? Does he think Americans make important decisions so lightly? Of course we won't change our mind, not in the face of such brutal aggression. What an undignified sight to see such begging. There must be a primary coming up in Tashkent."

Court Lectures

Frederick C. Schneider 3d, judge of the Municipal Court of East Brunswick, N.J., is trying out a novel experiment in sentencing shoplifters: four-and-a-half-hour lectures, in lieu of a stiffer penalty, for first offenders. Only time will tell if the idea works, but it is a welcome experiment.

A little experimentation across the river in New York courts is equally in order. For under the New York system of jury selection, it's only the potential juror, not the guilty offender, who gets questioned and lectured interminably by lawyers in a voir dire process that contributes substantially to trial delays.

Most jurors have but a small voice with which to talk back, so we herewith do it for them: When will the Legislature give judges the power to take charge of the voir dire and end the abuse?

Letters

You Can't Take the Draft Out of Draft Registration

To the Editor:

Throughout your May 3 editorial on the Solomon amendment and draft registration, you stress (falsely, I think) the distinction between registration and the draft.

If registration is not part and parcel of the draft, if registration is not, in fact, the first step in the draft, I put to you your own question: "What's all the fuss about?" Why does anyone (The Times or the Government) care whether or not people register? You care, of course, precisely because it is draft registration, not signing up for a national Ping-Pong tournament.

It is totally unrealistic to treat registration as if it exists in a vacuum completely unrelated to the draft, which you do when you write: "Whether one favors the draft or not, registration is a responsible process undertaken in the public interest." If one favors the draft, it is such a process, but if one does not favor the draft, registration is most emphatically not "a responsible process undertaken in the public interest." It is quite the opposite.

Registration then constitutes an unsound and ill-advised process that is fraught with danger for the genuine security and best interests of the nation we love, precisely because it can never be other than an integral part of the draft. JAMES E. BRISTOL
Philadelphia, May 4, 1984

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A Soldier's Purpose

To the Editor:

Your editorial rightly qualified its defense of the Solomon amendment by saying that "it is not attractive, but then neither is the need for draft registration." Requiring colleges to deny Federal aid to male students who do not register for the draft is not only an unattractive law but it promotes a mean-spirited attitude for the sake of an outmoded purpose.

For this reason it should not be equated — as you did — with the law that denies Federal funds to colleges not complying with civil rights laws. That is justified by its promotion of our precept of justice for all. The Solomon amendment, by contrast, is not only unjust in being discriminatory against young men who need aid, as you so correctly noted. Even more damaging will be its effect in discouraging them from objectively examining their Government's policies.

It seems to me that the draft registration law needs to be examined carefully by all Americans. It is part of an immense war system rooted in antiquity, many aspects of which are rapidly becoming useless because of advancing technology. In this instance, for example, we are still implying that patriotism demands that our sons "stand up and be counted" just in case we go to war.

The question is, If we do go to war, what will our fine young men be asked to do? Will they be needed to hold back the nuclear missiles until the rest of us can take cover?

AILEEN P. THOMPSON
Dunwoody, Ga., May 4, 1984

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Return of the Test Oath

To the Editor:

By concentrating on the particular facts of draft registration, your editorial on the Solomon amendment ignored the larger dangers posed by this new — and old — law enforcement technique.

The Fifth Amendment privilege against self-incrimination arose chiefly out of the colonists' opposition to test oaths. Instead of a process establishing guilt by investigation and adjudication, the test oath permits the state to punish all who cannot — or will not — attest to their innocence, thus reversing the presumption of innocence.

If the Government is permitted to target needy students and subject them to a test oath to enforce the Selective Service Act, no principled limitation will preclude spread of the test oath into other areas of criminal law enforcement.

Can student loans be conditioned on a test oath involving an unrelated penal statute? Then so may a virtually limitless array of programs, from driver's licenses to health benefits to tax deductions.

A society in which citizens are constantly required by their government to swear on pain of perjury that they have not broken traffic regulations, or smoked marijuana, or taken excessive tax deductions, or engaged in sodomy or violated any other conceivable Federal or state law (whenever they apply for, say, a driver's license, or take a deduction on Form 1040) is not the kind of society the Framers of the Fifth Amendment had in mind.

The unpopularity of draft registration resisters, or the judgment that the "right" to escape detection for forgoing this minor duty isn't all that important, should not confuse the issue.

In deciding the American Civil Liberties Union's test case on test oaths, the Supreme Court will decide not simply whether the Solomon amendment should be upheld but whether, 200 years after they were barred from the arsenal of law enforcement techniques available to the Government, test oaths will again condemn those unwilling to condemn themselves to double punishment, and create the "cruel trilemma" of perjury, self-incrimination or loss of the necessities of life. CHARLES S. SIMS
Staff Counsel
American Civil Liberties Union
New York, May 7, 1984

Issues Without Clout In Peacetime Voting

To the Editor:

Prof. James David Barber takes America to task for allowing itself to be misled by President Reagan into believing Congress was responsible for the massacre of marines in Beirut, "that butchers like President Marcos of the Philippines are friends of democracy" and other allegedly widely held misconceptions ("Political Illusionism," Op-Ed April 26). A vote for President Reagan, it is suggested, means one would rather live in Oz than in Kansas.

These and similar issues of international law and politics are at most of casual and passing interest to a majority of voters. Indeed, to many they are of no interest at all. Political science professors may analyze them and politicians may tout them when it is to their advantage to do so, but what the people in Kansas and other places care about is their immediate well-being.

Where economic well-being is concerned, it is generally assumed (sometimes fairly, sometimes unfairly) that the Federal Government has a great deal of influence. So long as unemployment and inflation are at significantly lower levels than when President Reagan came to office, most people will assume he *had something to do with it* and vote accordingly.

Perhaps this is not as it should be. The economic man may be an anachronism in the nuclear age. But that issue is obscured, not clarified, by suggesting that the common man, unaccustomed to hard thinking, would rather live in Oz than in Kansas.

Only an expert on international politics would believe peacetime elections turn on international issues. Experts are notorious for preferring Oz to Kansas. DAVID F. SHORES
Winston-Salem, N.C., May 2, 1984

Unsound Social Security

To the Editor:

Your May 8 editorial "Why Stigmatize Social Security?" describes as "political genius" the principle that "everyone should help support the retirement of everyone else."

While Social Security could be considered "political genius" in that it garners votes for those politicians who espouse it (and thus perpetuates itself), the economic ideas it represents are straight from kindergarten.

It seems to me that as long as the Government chooses to disregard the actuarial realities of selling insurance, the problems of funding Social Security will never be solved. If the Government feels it must force us to purchase retirement annuities for ourselves (for whatever socialistic or paternalistic reasons), then why doesn't it allow private insurance companies to compete with it in the sale of these annuities?

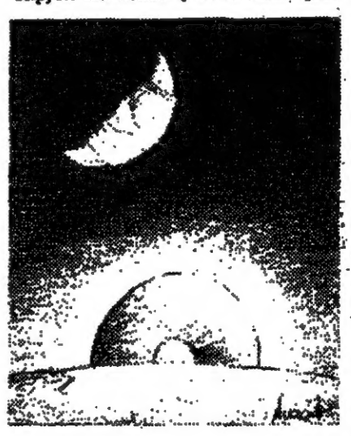
This would force the Government's Social Security program either to streamline its operation or go broke. Either outcome would ease the burden on all taxpayers, and perhaps even turn Social Security into an efficient, profit-making operation. ANDREW B. SIEGEL
New York, May 8, 1984

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or to return unpublished letters.

Jerzy Kulczycki's Delectable Legacy

To the Editor:

Language maven William Safire ("On Bagels and Croissants," column April 30) needs a lesson in culinary etymology. In Vienna, the moon-shaped delicacy he refers to is called *Kipfel*. *Hornchen* (the correct spelling is *Hörnchen*) is used in northern Germany and means little horn.



In remembrance of Vienna's successful resistance to the Turkish siege in 1683, a moon-and-star symbol was put on top of the spire of St. Stephen's Dome (later replaced by a cross). Some say *Kipfel* was derived from *Gipfel*, meaning mountain top, because its shape imitates the former crown on the *Gipfel* of Vienna's revered *Steffel*, the tower's popular name. PAUL STERN
Bronx, April 30, 1984

To the Editor:

William Safire gives 1689 as the date of the croissant's debut. That's the wrong year.

The deliverance of Vienna from Turkish invaders took place on Sept. 12, 1683, when a multinational force led by the Polish King Jan III Sobieski drove out the Turks.

It was Jerzy F. Kulczycki, a military reconnoiterer for Sobieski, who invented the crescent-shaped rolls, called *Rogalki* in Polish. Using coffee supplies abandoned by the Turks, Kulczycki opened the first coffee shop in Vienna.

He is honored with a life-size statue on the corner of the second story of a building at Kolschitzky Gasse and Favoriten Strasse in Vienna. STANISLAUS J. MARKIEWICZ
Maspeth, N.Y., April 30, 1984

•

To the Editor:

William Safire says there are croissant lovers and there are bagel lovers, and never the twain shall meet. Hmm.

Fairly often, I confess, I crave the delicate deliciousness of a croissant — especially on Sunday mornings and especially with apricot jam and good coffee — and later in the day long to do battle with a bullying bagel.

Apparently, my digestive system doesn't appreciate the implications of eating both. Is psychotherapy the answer? I love whole wheat bread, too. PEGGYANN CHEVALIER
New York, May 1, 1984

American Smoker-Nonsmoker Consensus

To the Editor:

In your May 1 editorial on "Cigarette Etiquette," you correctly pointed out that rules governing where in public places smoking is permitted and where it is not permitted work successfully, but you then went on to ask ". . . how many of us would really welcome more rules and more laws to govern behavior?"

The answer, according to every public opinion poll on the subject of public smoking in the last few years, is: the overwhelming majority of Americans, smokers and nonsmokers alike.

In a nationwide Gallup Poll last summer, the following percentages of smokers/nonsmokers said that they support either a total ban on smoking or designated smoking areas: in restaurants (86/91 percent); in work places (75/87 percent); on airplanes (88/92 percent); in hotels and motels (56/75 percent) and on buses and trains (86/92 percent).

When Mervyn Field conducted an identical poll in California in February of this year, the results, recorded in terms of the combined responses of smokers and nonsmokers, were strikingly similar: restaurants (93 percent); work places (86 percent); airplanes (97 percent); hotels and motels (65 percent), and buses and trains (96 percent).

What these figures conclusively demonstrate is that the real battle over public smoking is not between smokers and nonsmokers but rather between the general population and the tobacco industry, which has consistently fought every attempt to limit public smoking as a threat to its profits.

In doing so, of course, the industry pretends to be protecting the "rights" of smokers, but it conveniently ignores the two basic reasons why most smokers favor separate smoking areas and smoking bans: the former allow people to smoke without offending others or being requested to stop, and the latter aid the 90 percent of smokers who would like to quit.

When legislators and business people begin to follow the wishes of the vast majority of the population instead of pandering to the tobacco industry, you will no longer find a need to write such editorials.

PETER HANAUER
Berkeley, Calif., May 1, 1984

The writer is immediate past president of Californians for Nonsmokers' Rights.

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WASHINGTON

Sports And Politics

By James Reston

WASHINGTON, May 12 — The argument between Washington and Moscow over the Olympics is coming out just right. The Russians did without the U.S. athletes last time, and we'll struggle along without their athletes in Los Angeles this summer.

In the present poisonous state of U.S.-Soviet relations, a little distance and silence between these two muscle-bound giants may not be a bad idea. Instead of regretting their boycott, as the Reagan Administration has been doing, or appealing to the Soviet Ambassador here to reconsider, as the Rev. Jesse Jackson has been doing, we should probably be grateful for their absence.

There's too much inflammable rhetoric in the air these days to risk one more confrontation, this time in Los Angeles on world television, at what for some reason is called "the Games." These are no games, but a propaganda war.

Consider the Russians' reaction this week to President Reagan's El Salvador speech. They described it as "a shameless lie from beginning to end," unsupported by "a single fact" . . . designed to justify a U.S. policy of "military interference and aggression" . . . "another exercise in demagoguery and slander."

Well, as the President says with an amiable duck of his head, but often forgets, words are weapons. If you call the Soviet Union an "evil empire" that will cheat or steal to achieve its objectives, and if Moscow calls the President of the United States a "liar" and "aggressor," this is no invitation to a game, and you shouldn't be surprised if there are demonstrations against the Russians in Los Angeles.

Of course there would have been demonstrations. You can't have a rally for motherhood in the United States even on this Mother's Day without some outfit protesting that it's a bum idea. But the Soviet Union's excuse for pulling out of Los Angeles — that their athletes were in physical danger — is obviously ridiculous.

There was a Soviet "security problem," sure enough, but it wasn't that their athletes couldn't be protected. President Reagan even had the U.S. Army on hold to see to that, but the Russians themselves couldn't be sure that some of their best athletes would go home after seeing the California sunshine and the opportunities for their talents in the United States.

To paraphrase the old First World War song, how are you gonna keep 'em down on the farm after they've seen L.A.? The outlook was that the Soviet Union and East Germany could probably have come out on top in the Los Angeles Olympics and demonstrated on worldwide television that their professional athletes — a subsidized branch of the Communist propaganda machine — could jump higher and run faster than the amateur athletes of the world. But suppose, after it was all over, some of them ran away?

It would probably be wrong to assume that this was why Moscow said "nyet" to Los Angeles. They were mad that we boycotted the 1980 Games in Moscow and got even by boycotting the 1984 Olympics in Los Angeles. But they are terrified of freedom, and have to wonder what their stars might do when they see it.

Anyway, the Soviet Olympic Committee had a problem this year that the U.S. Olympic Committee didn't have four years ago. Nobody here had to worry about American athletes running away from home and making a new life for themselves in the Soviet Union, but the Russians had to consider the possibility that they might win the Olympics, and lose some of their best men and women who won the gold medals.

There remains the question about what should be done about the Olympics. The suggestion here is that they should not be put up for auction among the major nations as an expensive propaganda fraud, as they now are, but that they should go back to Greece every four years, where they started, preferably on some lovely Greek island chosen by the television tycoons for its dreamy skies and waters.

Sports has something to say to politics. It is the last field of battle under accepted rules. You can't bite in the clinches or run out of the lanes. There are referees with whistles who have authority to punish infractions.

But there's no big hurry. This is a time for waiting and for a little judicious leaving alone. Maybe we could do without the Olympics for a while. They got into trouble in the fourth century A.D. and weren't revived again until the end of the 19th century, in 1896, and the nations have been fussing with one another ever since.

It's laughable to hear President Reagan blaming the Russians for refusing to come to Los Angeles and "politicizing" the Olympics. They were politicized from the start. Hitler used them in 1936 to dramatize his conquest of the world. Jimmy Carter used them to protest the Soviet invasion of Afghanistan. And the Russians are now boycotting Los Angeles to protect themselves and prove that they don't like Ronald Reagan.

So what's new? Maybe the sad sight of Jesse Jackson knocking on the Soviet Embassy door here on 16th Street and appealing to the Russians to come to Los Angeles. Who needs them? Our miss is our mercy. They have done us a favor by staying away, for the element of accident was too great.

Filipinos' Quandary: To Vote Or Not To Vote

By Agapito Aquino

MANILA — I have decided to boycott the legislative elections to be held here in the Philippines tomorrow precisely because I believe in democracy. We Filipinos have always been proud of the freedom and democracy we learned from the United States. But we in the boycott movement feel that this freedom and democracy has been distorted by the Marcos Government, and we have decided not to participate in a vote that we believe can only serve to prop up that tottering regime.

A number of people — in the Government and among those opposition politicians who are participating in the vote — suggest that the boycott movement has given up on the democratic process. Nothing could be further from the truth. Indeed, we firmly believe that the only way out of the quagmire that our dictatorial system has led us into is through a return to genuine democracy. That is not to say that the democratic process can provide a magical "quick fix" for our nation: It will be a long haul back to any semblance of a healthy economy or a just society. But the long haul cannot even begin until Filipinos start to participate in the political and economic decisions that shape their lives.

It is precisely because of our belief in the importance of restoring real democracy that we in the boycott movement refuse to sanction the sham democracy of tomorrow's elections. At this moment of unprecedented national crisis — economic upheaval and political ferment triggered in large part by the assassination of my brother, Benigno S. Aquino Jr. — we can ill afford to divert resources, time and hopes to the illusion of democracy. In doing so, we would only risk losing sight of our real goal — our hopes for meaningful political change. Worse, by investing our people's hopes in a meaningless electoral process, we would be inviting cynicism and eventual alienation from any kind of democratic path.

Many Filipinos, including many of those who are going to participate tomorrow, have raised doubts about whether "clean, honest elections" are possible under the Marcos dictatorship. The national voter re-registration that took place in late March was marred by unprecedented anomalies, and tomorrow's voting may well be even worse. Yet our decision to boycott goes deeper than that. No one can deny the central role of credible elections in the democratic process, but it would be myopic to equate elections per se with the substance of democracy. It is all too possible for even "clean, honest elections" to become an empty symbol that masks the absence of democracy and indeed is used to defuse the demand for it.

This is particularly true in a country like the Philippines, where all power resides in one man and the people have no effective institutional control over his power. In this setting, the only meaningful election is one that offers a realistic hope for the limitation of such power. Tomorrow's balloting promises no such thing.

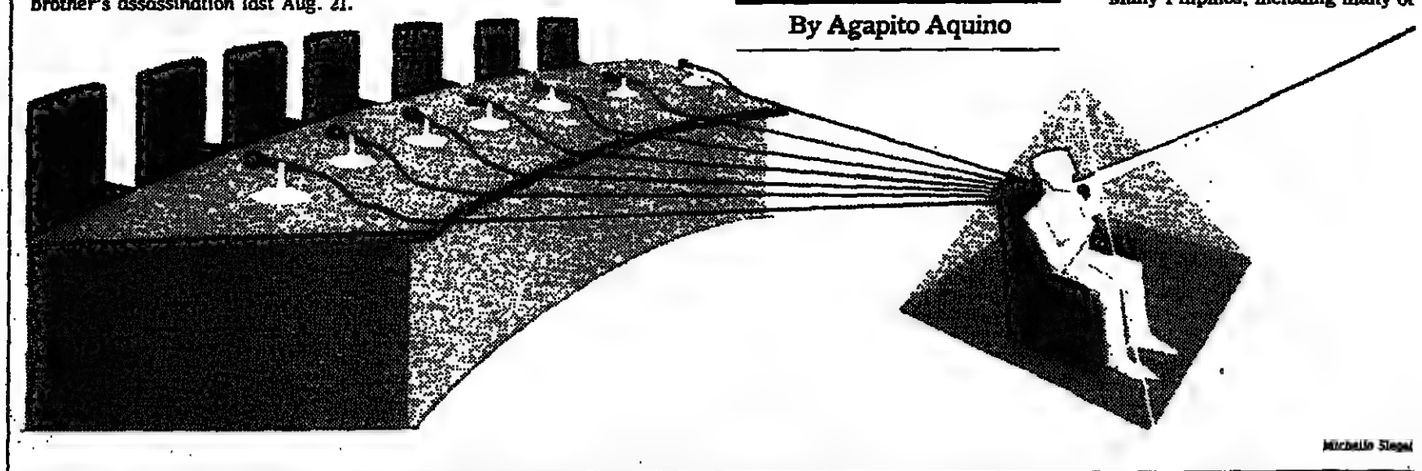
Why, after all, should we bother to vote for a parliament that is rendered superfluous by the President's powers to decree law at will and override whatever laws the parliament can manage to enact? What meaning can be ascribed to "clean, honest elections" in a nation where the President can arbitrarily arrest and detain any citizen? What purpose is served other than to allow the regime to make a false claim to democracy before its citizens and the world.

It was with this in mind that virtually all significant opposition groups — including those who have since decided to participate in the vote — joined last January in a "Call for Meaningful Elections." Our point was that a Government that pretends to aspire to democracy should relinquish at least those blatant dictatorial powers that make a mockery of its claims. President Ferdinand E. Marcos's only response was to go out of his way to affirm that the election of a new parliament would in no way diminish his arbitrary legislative powers. It was a clear admission that this election will be a travesty of democracy.

Certainly, there are good, worthy men among those who have chosen to contest these elections. The tragedy is that their electoral victory can only lend respectability to the democratic facade of the Marcos regime without in any real way denting its dictatorial powers. Unwittingly, then, they are assisting the regime to recover the equilibrium it has lost since my brother was assassinated.

We in the boycott movement intend to use all available non-violent means to achieve democracy for the Filipino people. Tomorrow's boycott is only one step. But it is a necessary step to discredit the dictator's false democracy and bring us closer to the day when we can hold elections worthy of the name.

Agapito (Butz) Aquino, brother of Benigno S. Aquino Jr., has been increasingly active in politics since his brother's assassination last Aug. 21.



Michelle Siegal

Truman and the Bomb

By Lester Bernstein

The day Harry S. Truman may have saved my life is not one I've thought about very often over the years, but it deserves some reflection in this centennial year of his birth. The day was August 6, 1945. I was a G.I. who had weathered the war in Europe and now awaited my place in the storming of Japan's home islands. On Truman's orders, the first atomic bomb ever wielded in war exploded over Hiroshima. For Americans in uniform and those who waited for them to come home, outrageous as this may appear from the moral heights of hindsight, it was a sunburst of deliverance.

Shock waves have reverberated ever since. No decision by any American President has thrown so long a shadow or stirred so stubborn a controversy. Today I know much more about Truman's decision, and for reasons that are not entirely selfish, I still think it was for the best.

The fateful decision has been viewed increasingly through a mist of might-have-beens. Was the bomb really needed to force Japan's surrender? The United States Strategic Bomb Survey in 1946 conjectured that Japan could have fallen no later than December 1, 1945 without either the bomb or an invasion. Deciphered intercepts in the summer of 1945 reflected Tokyo's maneuvering for a mediated end to the war; might the Japanese have given up earlier than August if the demand for unconditional surrender had been softened to assure survival of the Emperor? And if the bomb had to be used at all, wouldn't a demonstration in an uninhabited area have done the job?

Those who write history have the gift of revision; those who make it get only one chance. Truman had to deal with the realities confronting him in the summer of 1945. His Joint Chiefs told him it would take an invasion to topple Japan by conventional means. They projected possible American deaths at upward of 250,000 against an army of two million supported by thousands of kamikaze planes. The fanatical defenders of Okinawa alone had just exacted 45,000 American casualties. As for diplomacy, the Japanese never advanced any peace feeler; their efforts to find mediation suggested they hoped to retain some of their territorial gains. Unconditional surrender, already imposed on Germany and reaffirmed as a goal by the new President to a cheering Congress, had become an article of faith through years of sacrifice.

The possibility of using the bomb only to stage a demonstration was explored by the "Interim Committee" of eight distinguished civilians who advised Truman on atomic issues, including far-ranging ones of postwar international control. They asked their own advisory panel of four scientists whether such a demonstration could be effectively devised. The four — J. Robert Oppenheimer, Arthur H. Compton, Ernest O. Lawrence and Enrico Fermi — reported: "We can propose no technical demonstration likely to bring an end to the war; we can see no acceptable alternative to direct military use."

The reasoning of Truman's advisers, and finally his own, was that using the bomb without warning against a military installation in a populated area would shock the Japanese into surrender, thereby saving far more lives than it would cost. Given the military opportunity, the decision had an inevitability implicit in the monumental effort in which an army of 120,000 scientists and technicians spent three years and a then staggering $2 billion to build a bomb.

The moral stigma of the two atomic bombs Truman dropped has overshadowed the swift victory they won. In a curious way, that stigma seems misapplied to the bomb that destroyed Hiroshima or even to the one that fell three days later on Nagasaki, which was somewhat harder to justify militarily. Were those bombs really different, morally, from the indiscriminate horror that inflicted even greater civilian casualties in the fire bombing of Tokyo or Dresden?

What makes nuclear weapons different in kind, not just in degree, is the threat of human extinction. That unique and ultimate immorality was not born at Hiroshima. Its birthday was July 16, 1945, at Alamogordo, N.M., where the sky blazed with the first atomic explosion, a sterile test blast that killed no one. If atomic bombs had never fallen on Japan, the genie would still have been out of the bottle. The nuclear arms race and proliferation would not have been far behind — but the temptation to use the bomb would have been harder to resist.

What the bombs over Hiroshima and Nagasaki did accomplish, apart from ending the war, was a kind of inoculation of fright and revulsion, the stuff that deterrence is made of. So far, for a remarkable 39 years full of war and crisis, it has made nations and governments shrink from using the bomb again. That is no small accomplishment.

Lester Bernstein is former editor of Newsweek.

FOREIGN AFFAIRS

War by Default

By Flora Lewis

STOCKHOLM, May 11 — There is a general consensus among attentive people in the world that the very bloody war between Iran and Iraq is a serious danger for everybody. It is provoking increasing concern.

The war and its risks to the West were discussed at a conference near here of mostly Very Important Persons from Western Europe and the U.S. Everybody is afraid of the destructive upheaval that might inflame the Islamic world if Iran should win and come to dominate the Persian Gulf.

Iran is the weightier country and has put Iraq on the defensive. It can't overrun Iraq. But it is trying to wear down its enemy and to provoke a collapse of the regime in hopes that a new leadership favorable to Ayatollah Khomeini would emerge.

But an Iraqi victory, now quite unlikely, would also cause grave problems in the region that is the world's current tinderbox. Nobody, including the Soviet Union, would like to see either side triumphant. The ideal solution would be the fate of the nursery rhyme's gingham dog and calico cat, whose irreconcilable feud brought their simultaneous downfall.

But things don't work so neatly. Meanwhile, the war goes on, many more thousands are killed, and the risk continues that more countries, possibly including the superpowers, will be drawn into confrontation.

So the V.I.P.'s watch nervously and express pious hopes that somehow the fighting can be ended soon in a stalemate and negotiated settlement without a loser or a winner. What the nations are doing, however, is to keep the war going by supplying both sides with arms and money.

The reason isn't any classical conspiracy of arms merchants or a communist or capitalist plot. It is that nobody is willing or able to take the risks and sacrifices that stopping the war would require. Therefore there is tacit agreement that it is better to sustain the fighting than to permit a military decision.

In fact, the nations are already involved. One recent incident is an example of the tangle. The Iraqis damaged, but did not sink, a Saudi Arabian-owned tanker with a Swedish crew that had loaded oil from Iran. They used a French missile. The Iranians rescued stranded crew members with one of their Israeli-built helicopters. Sweden wanted to protest, but to which address? It was simply happenstance that in this case no Soviet munitions were involved.

The Iraqi attack on the tanker was part of its effort to block expanded Iranian oil sales, which enable Teheran to buy the arms and goods it needs to continue the war. Iraq can't export much oil because its only Gulf port at Basra is a war zone, and Syria has blocked the pipeline to the Mediterranean in return for cut-rate Iranian oil. But Arab money, French and Soviet arms and a quiet American "tilt" keep Iraq going.

The United Nations and an assortment of would-be mediators make regular appeals to the belligerents to stop the killing, to no avail. All the world's powers sit by and bemoan the conflict, as if they were helpless.

They needn't be. If the flow of arms to both sides were stopped, they would run out of firepower. To do this without favoring Iran would also have to mean refusing to buy its oil.

Organized sanctions on arms sales and oil purchases could impose the stalemate peace that is generally desired. In theory, it could be done even without the Russians because Moscow shares the West's interests in a no-win settlement and would not upset it.

'Pious hopes' for a troubled Gulf

But in practice it isn't possible because the West simply isn't capable of such a degree of organization and coordination in pursuit of a common objective.

It is easier to go on doing business as usual, selling arms and buying oil, than to seek agreement among enough countries to be effective. This is true even though there is already agreement on the desired outcome, and on the unforeseeable dangers of letting the war continue.

Strategically, it is shortsighted. Humanly, it is outrageous. Realistically, it is the contemporary state of the world. There is no leadership. There is no concert of powers even on perceived mutual interest.

These are sad truths. But it is better to admit them than to go on pretending to be earnestly seeking peace in the troubled Gulf, because the pretense diverts attention from the menace. The essential problems aren't nearly so much the rival ideologies and ambitions that divide the world, but the lazy, neglectful refusal to cooperate in bringing some order. So we talk peace and feed the fires of war.

"No first use":
three words to the wise.

SCIENTIFIC AMERICAN

Established 1845 SCIENTIFIC AMERICAN March 1984 Volume 250 Number 3

"No First Use" of Nuclear Weapons

The security of all nations would be enhanced if the U.S. and its allies were to adopt a military strategy that did not rely on nuclear arms to counter a non-nuclear attack

by Kurt Gottfried

Name a more important magazine.

Arts & Leisure

In China, Calligraphy Was the Key

By MICHAEL BRENSON

Princeton

In the last few years, Far Eastern art has occupied an increasingly important place in the galleries, museums and art markets of the West. Although the search for new artistic booty is certainly one reason for its current popularity, the reason why an area of the world becomes a subject of intense cultural and romantic interest always goes well beyond that. If we are so interested in Oriental art now, it is because that art has something to tell us about ourselves. Certainly no one should have trouble understanding why its mastery, quiet purpose and commitment to something beyond personal ambition and the battlegrounds of the moment may seem like an oasis to people mired in the grating, shifting sands of Western urban life.

Despite the attention that has been paid to Far Eastern art, in varying degrees, since Impressionism, however, there has been surprisingly little to help the public understand the sources of its mastery and purpose. We may have a sense of what Oriental art feels and looks like, but we really do not have a clear idea where its particular magic comes from. "Images of the Mind," an exhibition of the celebrated Edward L. Elliot Family and John B. Elliott Collections of Chinese calligraphy and painting, at the Princeton University Art Museum through June 17, is therefore a welcome show. Not only does it illuminate the fullness of Chinese art, but it implicitly raises questions about our own culture, where the conditions for that fullness do not now exist.

The theme of the exhibition is the relationship between Chinese painting and calligraphy — a relationship that has concerned American artists since Abstract Expressionists such as Franz Kline, Robert Motherwell and Mark Tobey developed pictorial adaptations of the calligraphic gesture. While it is widely known that poetry, painting and calligraphy were inseparable in Chinese art for centuries, the connection between them and its artistic implications have rarely been explored. This exhibition presents 70 examples of painting and calligraphy, most of them first-rate, covering a period of 1,000 years. Every object in the show is either a gift or promised gift to the museum. Accompanying the work is a 500-page catalogue, which includes a far-ranging essay by the organizer of the exhibition, Wen C. Fong, Edwards S. Sanford professor of art history at Princeton and special consultant for Far Eastern affairs at the Metropolitan Museum of Art.

Calligraphy — the art of fine writing — was something educated people in China were expected to master. Handwriting was thought to be related to just about everything. It was a mark of a person's intelligence, presence and flair. It was a link between art and craft. Most important, it was believed to be a means both of participating in and apprehending nature.

For example, the complex shapes of letters and the manifold relationships between those shapes were seen as expressions of yin and yang. The brush had to be held in such a way that energy originating outside the writer could flow down through the arm, hand and fingertips into the brush and finally onto the paper. If the human body and particularly the hand was a medium, the ink itself was a kind of sacred fluid in which divine energy flowed.

Cha Shih-piao's 17th-century "Landscape in the Style of Ni Tsan"—communicating a sense of place

Since calligraphy was the basic Chinese art for the literati, or scholar-artists, many of the elements of calligraphy passed into painting. These included its rich pictorial vocabulary — Chinese characters can be remarkably elaborate constellations of lines and gestures — and the way in which painters wielded their brush. Even more essential, the calligraphic training meant that touch and faith, image and word, were inseparable. By the time a calligrapher began painting, religious conviction and a feeling for words had been absorbed into the pictorial process.

One other aspect of calligraphy should help explain its interest for Expressionist painting in general. As a rule, calligraphers did not erase or rework. Each character tended to be the result of one burst of inspiration. As a result, while calligraphy made it possible for certain conventions to be passed down, it also left considerable room for personal expression. "The importance of calligraphy to Far Eastern art is that through it artists found self-expression," Mr. Fong has said.

It might be useful at this point to compare our own cultural attitude toward handwriting and the relationship between words and images. For people today, many of whom write with typewriters and computers, the idea of caring profoundly about the literal shape of words and the way ink takes to the paper is probably more alien than watching men walk on the moon. American culture is increasingly and relentlessly visual, to the point where the bombardment of visual information seems at times to be a furious, flailing attack against language itself, or against the biblical: "In the beginning was the Word."

While it is understandable that younger, radical artists who have grown up on the visual media would, consciously or not, defy the older gospel and try to overrun words with images as graffiti seems to overrun trains, the sense of a link between images and words goes so deep in this culture that it is probably unshakeable. We are far closer to the Chinese attitude towards words and images than our current culture might lead us to think. The sense of an original bond between them is behind the argument some would give for the artistic primacy of poetry. It is in part why the current bombardment of images can be experienced as a form of barbarism and an apparent rift between words and images as an upheaval. The sense of loss resulting from this dissociation is essential, I think, to the current wave of interest not only in Chinese art but in illuminated manuscripts, where word and image are intertwined.

The calligraphic scrolls in "Images of the Mind" are themselves extraordinary. In Huang T'ing-chien's "Scroll for Chang Ta-t'ung," done in 1100, the characters are like actors in a human comedy. They seem to be fencing, flirting, praying, staring, spinning. Like other calligraphic scrolls in this show, the characters present a dazzling range of pictorial inventions and gestures. The darting, twisting, exploding lines and the dramatic impact of the black ink in this scroll bring to mind Picasso, whose affinity with calligraphy seems fundamental in other ways as well, including that sense of imminence which comes from producing something sudden and complete at one go.

The effect of calligraphy can be felt not only in the shapes but the compositions of Chinese paintings. The linear orientation is partly responsible for the Chinese painting's relative flatness. In addition, the calligraphic organization of letters in vertical and horizontal rows gave the calligrapher a feeling for the entire surface of the paper. This is surely one reason why Chinese painters were able to create coherent paintings without recourse to a rational pictorial system, such as Renaissance perspective.

An example is Shen Hao's 1652 album "Landscapes After Sung and Yüan Masters." Leaf F ("Landscape in the Style of Fan K'uan") consists of two tiny figures talking in a huge, open field surrounded on all sides by rocks which seem weightless, yet firmly anchored. It would be very hard for a Western artist to control bulky forms this thin and light without a careful and systematic compositional build-up that is not present here. (It might be worth noting that when space in the paintings in this show does become systematic, as often as not, it is less coherent. In other words, the more rationally the painting is constructed, the more irrational it feels.)

The most dramatic aspect of the calligraphy and paintings in this show has to do with the range and force of the ink. Cha Shih-piao's 17th-century "Landscape in the Style of Ti Tsan" is an almost seven-foot-tall hanging scroll. In the foreground is a small clump of trees, in the middleground a hut embedded in another clump of trees, in the background a range of mountains with a Picasso-like gray outlining the peaks in the distance. While the lighter ink in the background seems to suggest mountains, the black trees in the middle and foreground seem to become ink. And in becoming ink, the trees seem to partake of something elemental.

> Calligraphy was a mark of a person's intelligence, presence and flair.

The Chinese painter's feeling for materials and the individual mark underlines another crucial difference between Chinese painting and much 19th- and 20th-century Western art. In Chinese painting, the ink, paper and individual marks are not only loaded with meaning but they seem to belong to one another. Largely because of this, the paintings communicate a sense of harmony — a sense that everything has a place.

Modern Western artists certainly do not approach their canvases with brushes dipped in words, images, natural energy and an encompassing religious view. For them, each mark on the paper is a beginning of a struggle for place and meaning that has to be earned. The confidence with which most of these Chinese calligraphers and painters place their marks can seem almost inconceivable alongside the anguish, grit and sometimes the cheek with which 19th- and 20th-century Western painters from Paul Cézanne through Malcolm Morley set brush to canvas. An exhibition as provocative as this one raises questions not only about Chinese art but about who we are and where we are going and just what we have won and lost.

Celebrating the Elegant Legacy of Jean Cocteau

By ANNETTE INSDORF

"I shall tell you the secret of secrets. Mirrors are the doors by which death comes and goes. Don't tell this to anyone. Just watch yourself all your life in a mirror and you will see death at work like bees in a glass hive..." These lines from "Orpheus" crystallize not only Jean Cocteau's uniquely poetic prose, but his fascination with seeing "creatively." Although they were spoken in a play (by Orpheus's guardian angel), they would be rendered concrete in Cocteau's film version less than 25 years later: In the intervening period, he added filmmaking to his already impressive list of accomplishments.

For when Cocteau died 21 years ago, he left behind a body of work unequalled for its variety of artistic expression: This French artist wrote poetry, novels (like "Thomas L'Imposteur" and "Les Enfants Terribles"); he drew, painted and sculpted; he designed sets and ballets. And — as a six-week retrospective of his oeuvre (including films he wrote but did not direct) beginning at Joseph Papp's Public Theater in New York Friday will demonstrate — Cocteau was a boldly personal, stylistically innovative and internationally influential filmmaker. His legacy of elegantly crafted fantasy and dark poetry can be felt in such diverse films as those of Vincente Minnelli and Jacques Démy, as well as David Lynch's "Elephant Man."

Of special interest — in addition to classics like "Beauty and the Beast" and "Orpheus" — is his own film version of "Les Parents Terribles," which has not been shown commercially in New York since the 1960's. In addition, Columbia University's Maison Française has been presenting Cocteau's films on Thursday evenings — along with Carole Weisweiller's documentary, "Jean Cocteau: Portrait d'un inconnu" — while New York University's Maison Française is offering related concerts, lectures and screenings.

Born in 1889, Cocteau was an *enfant terrible*, a rebellious child who was thrown out of school, and whose father committed suicide when the boy was 10. This might have created in his son an early awareness of death — whose mysterious attraction would become a dominant theme in Cocteau's work.

By the age of 19, he was a famous poet at the center of Paris's artistic ferment. His friends included Diaghilev, Stravinsky, Picasso, Apollinaire, Satie, Gide and Colette — and later Marlene Dietrich and Edith Piaf — for Cocteau was drawn to all the art forms available to him.

Although he was not officially part of the Surrealist movement, Cocteau's visual and verbal creations attest to the influence of Freud and to the belief that art is the domain of dreams and the unconscious. He elaborated a personal mythology whose striking symbols linked *l'amour* to *la mort* (love to death), and tried to dissolve the boundaries between the natural and the supernatural.

"The night of which I speak," he wrote, "is not to be confused with the night which Freud invited his patients to enter. Freud was a modest housebreaker: He absconded with a few mediocre pieces of furniture and some erotic photographs. He never consecrated the abnormal as a transcendence: Nor did he hail the great disorders. He devised a confessional for bores."

Jean Cocteau

What better art form could Cocteau have discovered than the cinema to embody and animate his preoccupations? In 1930, he made his filmic debut with "The Blood of a Poet," which he termed "a realistic documentary of unreal events." As in his later films, there are no poetic mists or soft dissolves, but images that are sharp, disturbing, subject to abrupt transformation, and often impenetrable. The hero is, of course, an artist: His painting taunts its creator and comes to life, as does a statue who subsequently turns him into stone.

Whereas some viewers have found the film self-indulgently "artsy" — and Cocteau once claimed that "the less a work of art is understood, the less quickly it will open its petals and the less quickly it will wither" — "The Blood of a Poet" can now be appreciated as a voyage through the poet's internal landscape, and as a celebration of film's unique powers. His noncinematic work had already displayed two impulses which are also inherent in motion pictures: the desire for movement, animating what is stationary and making fluid what is concrete; and the desire for articulation — to give voice to that which is mute, whether an object or a dead person.

"The Blood of a Poet" is a dazzling exploration of these concerns, as it shows an armless statue becoming a speaking woman, follows the poet *through* a mirror into a hallucinatory space, or peers at a "hermaphrodite" who is not only part-male, part-female, but semihuman, semimanufactured, and an agent of death as well as love.

Cocteau made no secret of his homosexuality and peopled his work with characters whose sexual orientation was often ambiguous: For example, in "Les Enfants Terribles," a tale of a young man's attempt to break free from a suffocating family environment, there is the suggestion not only of incestuous desire between Paul and his sister Elizabeth, but the troubling love interest, Agathe: She is played by the same actress who incarnates Dargelos — a boy who obsesses Paul — at the film's opening.

Given Cocteau's fascination with transformation (especially via mirrors), breathing statues and what he termed sacred monsters, it is not surprising that he chose to make a film of "Beauty and the Beast" in 1945. He was attracted to the story because it was "a fairy tale without fairies," and he insisted that the film be shot "in a documentary style" that would render fantasy with clarity.

According to the journal that Cocteau kept during the shooting of "La Belle et la Bête," a painful rash erupted on his skin: "My face has become an itching carapace of cracks, scabs, gulleys. I must forget this mask and live underneath it with all my strength," he wrote.

In the course of shooting this film — for which Jean Marais played the Beast with disfiguring layers of makeup — Cocteau's face became as hideous as the Beast's mask. When he claimed that his neck was "devoured by a malevolent creature," Cocteau attested to how an artist can be taken over by his creation. It was, after all, Cocteau who modified Descartes in declaring, "I suffer, therefore I am."

This stance was not mere masochism, but empathy, as he felt guilty for making his beloved star undergo a painful physical transformation for the film. Unlike "King Kong," for instance — another version of beauty and beast, where the monster is a special effect — Cocteau's protagonist is a man who suffers under his mask, just as the character suffers under his curse. Marais was indeed more than Cocteau's favorite actor, and their relationship resulted in one of the French cinema's most consistently fruitful collaborations between a filmmaker and an actor

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RECORD OF FAILURE

TREASURY/Meir Merhav

THE STATE COMPTROLLER does not criticize government policy; he monitors its implementation, and is reticent at that. But if ever the comptroller has come close to censuring the government's policy, he has done so in the opening chapter of the present, 34th annual report.

The dry juxtaposition of promise and fulfilment on the first page of the central chapter on the Treasury's performance during the last year of Yoram Aridor's incumbency as finance minister barely falls short of an outright condemnation of his "proper economics."

The comptroller starts his enumeration by recalling that the 1982/83 budget was supposed to cut public expenditure by 5 per cent from the real level of 1981/82, mostly by reducing the subsidies to basic foods which, the comptroller pointedly stresses, "had been increased at a very high rate in 1981." The declared purpose of the planned cuts in government expenditure was to slow inflation and narrow the balance of payments gap without causing unemployment.

However, despite the Lebanon war, which cost more than was foreseen, and despite the fact that the replenishment of equipment and ammunition stocks was postponed for the next two fiscal years, the Treasury began again, in the second half of fiscal 1982, to increase the subsidies, the result of keeping the monthly increase in the prices of government-determined goods and services and the devaluation of the shekel at 5 per cent.

What was the result of that policy? "The year under survey," the comptroller says, "was the second consecutive year in which the balance of payments deteriorated significantly. This process went on, despite the continued fall in the prices of oil and other imported goods – among them wheat, feedstuffs and cattle meat – and while interest rates fell in the international financial markets. In addition, there was a substantial reduction in the real volume of defence imports. Nevertheless, the current payments deficit continued to grow as a result of rising civilian imports, including foreign travel, and the fall in exports."

THE REASONS for this adverse development, the comptroller says, were the high level of the government's excess demand and the injection of cash into the economy; the difficulties encountered in exports as a result of the worldwide recession and the fall in the value of the European currency basket vis-à-vis the dollar, and the revaluation, in real terms, of the shekel as devaluation was kept lagging behind the rate of domestic inflation.

The stock market boom that prevailed for the first nine months of the fiscal year, the comptroller adds, made it difficult to mobilize savings from the public to finance the budget. At the same time, there was a fall in private savings, which made it possible for private consumption to rise markedly, despite the increase in the tax burden.

The improvement in the balance of payments, which was one objective of the economic policy, was not achieved. On the contrary, there was a significant deterioration, despite a whole set of favourable developments.

Did the policy perform better with respect to the second objective, of slowing inflation?

It did not. "The rate of inflation in the year under survey" the comptroller states laconically, "was higher than that assumed in the original budget estimates. Towards the end of the year, the Knesset Finance Committee approved, at the government's request, a supplementary allocation to cover price increases in excess of those foreseen in the original estimates.

Did the government cut its expenditures in real terms? It did not.

"The real volume of civilian government expenditure did not decline...as planned, by comparison with its high level in fiscal 1981, despite the cut in the original budget and the cuts effected in consequence of the war."

A TABLE compiled by the comptroller, comparing the original budget law and its successive changes during the year with actual expenditure, shows that the budget is practically meaningless. The differences between the original and the final budget estimates range from 10 to 217 per cent.

The deviation, during the year, from the original estimates approved by the Knesset, is made easy by the change in the budget law three years ago, according to which budget increases no longer require fresh legislation, but only approval by the Finance Committee.

The amendment in the law makes use of paragraph 3 in the Budget Law, which permits increases in expenditure if there are additional revenues. That paragraph was originally intended to permit the expenditure of Jewish Agency receipts, and now applies to any revenue and expenditure.

Another factor that makes the budget estimates relatively meaningless (and implicitly criticized by the comptroller) is that the Budget Law permits the expenditure of surpluses from the previous fiscal year in the current year.

"Transfers of surpluses from a previous year increase the allocation for expenditure without a parallel increase in revenue, and thereby increase the deficit above that planned," the comptroller notes.

Moreover, the 1982 Budget Law permits the finance minister to make such transfers without having to inform the Knesset Finance Committee, as he was obliged to do formerly.

Nevertheless, the comptroller says, the Treasury continued to inform the Finance Committee of such transfers.

One of the by-products of Yoram Aridor's policy of repressing inflation was that the expenditures on export subsidies, officially called "export market promotion," had to be increased fourfold, to IS9.5b. As has been noted, that did not help, and exports shrank.

Moreover, payments to exporters within the framework of the exchange rate insurance, which are intended to compensate them for the lag in the rate of devaluation behind domestic inflation, should have been made in accordance with the domestic added value of exports, and only for exports whose proceeds have been brought into the country. In practice, it emerges from the comptroller's report, there was no control of either.

In July 1983, the Treasury's budget division set up a committee to establish the domestic added value of industrial exports. The committee recommended that a questionnaire be sent to all exporters, on the basis of which each exporter would have his added value calculated.

However, the ministries concerned did nothing to implement the recommendation.

"The exchange rate insurance programme," the comptroller sums up, "...is based on the one hand on data on added value founded on declarations that undergo no process of verification, and on the other hand on general indices which do not necessarily reflect the reality within which each exporter operates."

GOING INTO further detail of the budget's implementation, the comptroller points out how the use of paragraph 3 of the Budget Law which, as noted before, frees the Treasury from the need to subject additional expenditure to Knesset legislation, is interpreted even more liberally than provided for by this new freedom of the executive from parliamentary control.

While the law permits the Treasury to increase its expenditure to cover price increases in existing programmes or to reduce the public debt, in practice the Treasury made substantial changes in theallocations themselves.

Moreover, the Treasury also used money raised from additional loans to increase its expenditures – and the comptroller states flatly that, in his view, additional revenue obtained from loans cannot serve to allow additional expenditure according to paragraph 3 of the law.

In addition to this subversion of the law, the Treasury also asked for Knesset Finance Committee approval of the additional expenditures only towards the end of the fiscal year. This means that the money was mostly spent before approval was obtained.

Most of the comptroller's strictures are, as he himself points out, a repetition of those already voiced in previous years. "The appearance of deficiencies that repeat themselves year after year," the comptroller says, "impose upon the Treasury the need to increase its efforts to compel its various units – and...also the other government ministries – to adopt more effective action to remedy these defects and to prevent their recurrence."

THE ANALYSIS of the government's balance sheet consistently repeats the criticism of previous annual reports. The accountant-general continues to maintain large transitory accounts, in which revenue and expenditure are not classified according to the budget estimates. The result is that the statements on the implementation of the budget are incomplete and, the comptroller points out, there has been no improvement with regard to the closing out of these accounts.

Although year after year the comptroller reports that the accountant-general has informed him that there has been this or that improvement in the accounting system and its data processing, or that such improvements are in process of being implemented, it also remains true that year after year the comptroller's report shows the Treasury's accounting system to be woefully inadequate. As a result, large amounts of money due to the Treasury often remain uncollected for years, and some are not collected at all.

The management of the government loans, in particular, which run into billions of shekels, is deficient and does not permit adequate supervision of the repayment of loans. In November 1983, the comptroller states, the Treasury had deposits in the commercial banks for loans to enterprises and institutions to the amount of IS12b., for which there were no repayment schedules. There is, the comptroller points out, no coordination between the loans department of the accountant-general and the department handling the financial operations of the budget.

THIS YEAR'S comptroller's report is sparse in its review of the Treasury's administrative operations. There is no survey of the income tax administration, and only a four-page chapter on the value added tax administration, which calls for better coordination between the two tax administrations.

A sample check of VAT assessments showed that, in many cases, the assessments were arbitrary and excessive, althought the tax assessors had documents supplied by the assessees who appealed, but made no use of them.

Nearly a quarter of the assess-

(Continued on page 6)

Carelessness cost life of officer

IDF/Joshua Brilliant

INSUFFICIENT MEASURES to clean training grounds of unexploded shells were partly responsible for the death of one officer and the wounding of nine men, the State Comptroller reported in the section on the Israel Defence Forces.

The officer had found the dud of an anti-tank missile during a company maneuver in January 1983. He played with it and the bomb exploded, the comptroller reported.

While the officer was certainly careless, the comptroller noted the Squad Commanders' School training grounds were full of duds. He also noted that between May and September 1983, there had been 10 reports of duds being littered about.

According to IDF regulations, duds must be destroyed within five hours of an exercise, but units using those grounds retraced their own tracks only and the school's commander said his grounds were too big and the means too meagre to conduct a search over the whole area.

In another area, a brigade commander permitted the Ordnance Corp's Testing Unit to use his training grounds, but the Ordnance men who entered it did not know there were unmarked minefields in the area.

It was only by chance that their tanks did not enter the minefields, the report said.

The Ordnance Corp Unit was itself critized for another incident: it had fired some shells in a range at the end of December 1982, but the duds were not detonated and officials from Military Industry found them by chance a month later.

In July 1980, an explosion killed nine men during a test. Experts examined the accident and drew up several recommendations, but only a few appeared to have been implemented. An examination of 15 tests conducted between June 1982 and September 1983 showed that only two test plans included references to some of the recommended safety measures.

IN A SECTION on a reserve division assigned to the Southern Command, the comptroller criticized the use of manpower, insufficent training, and improper maintenance of emergency stores.

The division's reports said it was short of drivers and ordnance men, for example. But 122 soldiers in the division were assigned to other roles than those for which they had been trained. That included 20 drivers and 19 ordnance men – who had been assigned administrative tasks.

Some of the officers – including very senior officers – did not attend necessary courses. The commanders of two of the division's four brigades, the artillery unit and the maintenance unit, as well as their deputies, did not attend a battalion commanders' course.

Seven battalion commanders or deputy battalion commanders and 27 company commanders had never passed a company commanders' course, the comptroller reported.

Soldiers were poorly trained, too. One brigade did not receive adequate training in night fighting and only poor practice in fighting over open terrain.

The brigade's reconnaissance company was to have had a fortnight's training on armoured personnel carriers – but had only one day of it. A company exercise was cancelled because not enough jeeps were available.

IN EXAMINING the emergency stores, the comptroller found tanks were not attended as often as required. There was also a shortage of fuel. One brigade's fuel dump was near a main road, the fence was torn and 4,850 litres of fuel were missing.

Most of the division's units were called up in August and September 1982 and some time after the men were discharged an account was made of its equipment.

It was found that material worth IS70m. was missing, the division's headquarters reported.

GHQ rejected the report filed by one unit and ordered a reassessment, which had not been completed by the time the report was published.

But the four other units alone had losses totalling some IS42m. The

(Continued on page 6)

BREAKING THE RULES

DEFENCE MINISTRY/Meir Merhav

OUT OF THE 1,000 pages or so that are the usual size of the State Comptroller's Report, 104 are devoted to the Defence Ministry. Considering the slice of defence in total government expenditure and activities, even that may be too little – particularly in a year that saw a "surgical" military intervention in Lebanon develop into a major and protracted war.

Except for the eight pages dealing with the Defence Ministry's budget for fiscal 1982, and passing references here and there, the 34th report of the state comptroller hardly reflects the impact of the Lebanon war. Most of it deals with the ministry's routine operations and with activities that preceded the war – sometimes by as much as a decade – and will go on long after it is over.

The comptroller's survey starts with the government's decision to put defence expenditure on a multi-annual basis from fiscal 1982. In each of the following four years, IS36.5b., in 1981 values, was to be allocated to domestic expenditure on defence. In addition to that, and in addition to U.S. military aid, defence was to get an allocation of $250m. in so-called free foreign currency funds. Arms acquisitions from abroad were to be based on the assumption that American aid would be $1.4b. a year.

However, as in other parts of the budget, the original estimates were confounded by the fact that inflation turned out to be 127 per cent instead of the 100 per cent foreseen in the budget estimates. In addition, the war in Lebanon made the original estimates unrealistic.

THROUGHOUT, it appears from the comptroller's report, the Defence Ministry did pretty much as it pleased with the budget. The law requires that the ministry obtain the approval of the joint committee of the Defence and Foreign Relations Committee of the Knesset and of the Finance Committee for changes in the budget programmes. As already criticized in previous reports by the state comptroller, the Defence Ministry did not bother to obtain such approval. This was pointed out as far back as 18 years ago, in the 16th report, and more recently, in the 31st annual report of the state comptroller.

The war in Lebanon of course required an increase in the defence budget. However, the comptroller's report reveals that the estimates of the Defence Ministry diverged by more than 100 per cent from those of the Treasury. While the Defence Ministry asked for an additional allocation of IS31.5b. (more than $1b.), the Treasury estimated the cost of the war in fiscal 1982 at IS14.1b.

The reason for the huge gap was, according to the comptroller, a divergence in the estimate of the running down of stocks of war materiel and the stand taken by the Treasury, which argued that the current expenses of the deployment of Israeli forces in Lebanon had existed before the war in Lebanon.

The cabinet, not unexpectedly, split the difference between the Defence Ministry's estimates and those of the Treasury; the allocation for the war was put at IS22.5b., at 1982 prices. Thirteen billion shekels were to be allocated for fiscal 1982; IS6.5b. for 1983, and IS3b. were left as a legacy for 1984.

The comptroller points out that the estimates submitted by the Defence Ministry were higher than actual expenditure. The expenditure ultimately approved by the cabinet was indeed lower than that demanded by the Defence Ministry, but the comptroller says that the estimates on which the ministry bases its demands ought to be better founded.

AFTER A BRIEF survey of the financial management involved in the Lavie project, the comptroller's report devotes 10 pages to a review of the development and management of the Merkava tank project. The picture that emerges is one of successful improvisation, with which the state comptroller is not quite able to cope.

The development of Israel's battle tank seems to have contravened nearly all the rules of orderly management as required by the state comptroller – and to have resulted in the production of an advanced weapons system that passed its fire test successfully in the Lebanon war.

The comptroller's survey says that the original plan was to base the development of the Merkava on existing components and subassemblies; in 1972, the chief of staff decided that the tank should represent a new qualitative development. However, the comptroller finds it necessary to note, the change in approach was never laid down in new written guidelines.

In the course of the tank's development, as noted nearly every rule in the planning and management book seems to have been broken. There was no documentation; the development committee required for such projects by the operating procedures of the Defence Ministry ceased to function in 1977. There were constant delays in the production of components and spare parts; maintenance personnel was not trained in sufficient numbers; tests of components and assemblies were not carried out on schedule; approvals by the ordnance corps and the armoured corps of the IDF were not obtained and, despite the fact that the project management had existed for 13 years, there was no orderly set of procedures.

The Merkava was developed by what the comptroller's report calls an "innovative method of development, called 'telescopic development'", in which serial production is begun before all the tests are completed. The report points to the high risk involved in this method – but has to admit that the tank stood the test of battle.

THE COMPTROLLER'S conclusion is that if "telescopic development" is to be adopted as a method for developing other weapons systems, the risks have to be reduced by laying down written procedures; securing the involvement of the army corps in the development and preparing accompanying documentation of operative requirements, specifications, calculations of operating costs, operational life-expectancy, criteria for reliability and survival, as well as maintenance.

All these documents, the comptroller says, should be prepared before decisions are taken, and not retroactively. In addition, there should be technical and development committees to monitor the development.

The absence of all these, and other defects pointed out at some length by the comptroller, makes the battle success of the Merkava seem a sheer miracle of improvization. What the comptroller's report does not reveal is the cost, if any, of the defects to which he points, and what the alternative cost would have been of proceeding in the orderly way he recommends.

Another lengthy chapter in the comptroller's report on the Defence Ministry is devoted to the acquisition, by the government, of complete control over the Beit Shemesh Engine Company, formerly controlled by Yosef Shidlovsky through the French aircraft engine manufacturer Turbomeca.

The importance of the government's obtaining control arose as a result of three factors: the Lavie project, with its corollary of planning to produce an adequate engine for that aircraft in Israel; increasing financial difficulties in the Beit Shemesh plant, and the advancing age of Shidlovsky which, after his retirement, might have caused problems in the cooperation between Turbomeca and the Israeli government.

In addition, a fourth factor was the vested interest of Israel Aircraft Industries, which tried throughout to arrogate the role of developing the engine for the Lavie plane to itself.

The comptroller's report is highly critical of the manner in which the negotiations with Shidlovsky were handled, and states flatly that the considerations that led the government negotiators to reject the proposals made by Shidlovsky, which would have ensured ultimate government control at no cost, were not substantial enough to reject these proposals.

A different approach, the comptroller says, might not have changed the amount that had to be paid to buy Shidlovsky out – $10m. – but would have better clarified the extent to which the government had to bail out this ailing enterprise, by an amount that came to roughly five times the purchase price of Shidlovsky's shares. It might also have affected the government's attitude with respect to the role to be played by the Beit Shemesh plant in the development and production of main aircraft engines and, particularly, whether it should continue to be considered as the main developer and producer of such engines or confine itself to small engines.

AS IN PREVIOUS reports, considerable space is devoted to the activities of the Defence Ministry's purchasing mission in New York, which in fiscal 1982 dealt with acquisitions worth $1.7b., of which some $910m. were effected through civilian suppliers.

AS OF JULY 1983, the New York mission employed 52 emissaries from Israel and 188 local employees, most of them Israelis temporarily staying in the U.S. A large proportion of the latter were undergraduate and graduate students, and most of them acted as buyers after a training period that should have lasted a week, but often was no more than four days. The turnover of this staff is 30 per cent a year.

The Comptroller's report reveals that there is much to be desired in the acquisition procedures of the purchasing mission. Although there have been improvements with respect to the computerized record of past procurements of defence items and the mission now also has at its disposal records of past purchases by the U.S. armed forces, a check by the comptroller revealed that the prices obtained from U.S. suppliers varied widely for the same items.

There were large differences at times by tens of per cent not only between one supplier and another, but also between one purchase and another from the same supplier within a short space of time.

The procurement of identical items was at times handled, at the same time, or nearly so, by different buyers of the mission. This was partly the result of procurement requisitions coming from differet corps in the IDF, each of which has its own system of cataloguing, and none of which fits the U.S. Federal Inventory catalogue.

Although most of the procurement from civilian suppliers relates to small items, the difference in the prices paid is sometimes exceedingly high. The comptroller points to examples in which the price of an item from one supplier was $8, while the same item from another supplier cost no more than $1.96.

Another example cited shows that 10 units ordered in July cost $58, while another supplier charged no more than $25.32 per unit for an order of 11 units in November of the same year.

THE COMPTROLLER concludes his report on the defence ministry's purchasing mission with the recommendation that, in view of the fact that a considerable part of the mission's activities relate to a procurement that totals no more than 3 per cent of the annual total, the list of approved suppliers be improved; the training of the mission's purchasers upgraded and, finally, that the size of the mission, its organizational structure and its budget be reviewed.

While much of what the comptroller has to say on the functioning of the Defence Ministry repeats what has already been said, to little effect, in previous reports, the report, as stated before, hardly reflects the fact that there was a war in Lebanon during the year under survey.

One must assume that this reticence is accounted for by the need and desire to await the conclusion of that war before its impact on the ministry's functioning is evaluated.

Another longish chapter traces the history of the rivalry between Tadiran and Israel Aircraft Industries (which the comptroller's report calls "company A and company B) over the development of the drones that won renown in the Lebanon war.

The rivalry between the two companies, which made headlines two years ago, reached the point where one of them enlisted a senior air force officer to undercut the other's exports of these pilotless planes.

The comptroller concludes his survey with the recommendation that the two companies pool their resources and cooperate.

The picture that emerges from the story of this rivalry, as well as that of the negotiations over the control of the Beit Shemesh Engine Works – and in part also from the history of the Merkava development – is that, at least where the development of major weapons systems is concerned, the vested interests of the military-industrial complex sometimes threaten to dominate national defence interests.

The comptroller makes no attempts to evaluate, even qualitatively, the real cost of these vested interests, and it is probably impossible to do so. However, the overall picture that emerges from the State Comptroller's report is that the functioning of the Defence Ministry and its affiliate organizations, and their interrelationship with domestic and foreign suppliers, is overdue for a thorough review and overhaul at the very highest level of government.

Israel Festival
in the Merrill Hassenfeld Amphitheatre, Mitchell Garden
Gala Performance for Jerusalem Day
on May 30, 1984 at 9.00 p.m.
General Labour Federation Culture and Arts Dept.
★ Programme:
Song Groups: Givatron. Conductor Zvika Caspi
Ha'ogen Troupe. Conductor: Zvi Sheerf
Hara'ananim Troupe. Conductor: Yaacov Hollander
Artistic direction: Henry Klausner
Guest Singer: Ofra Hazah
Tickets: IS 800 for groups until May 22, 1984, available at the Culture Dept., 2 Reh. Hayei Adam, Jerusalem, Tel. 02-226211.
Tickets at agencies: Jerusalem — Klaim, Cahana, Ben-Naim, Ram Productions, Gerard Bechar box office. Jerusalem Theatre box office. Tel Aviv — Castel agency.
Jerusalem Foundation
Jerusalem Municipality Culture Dept.

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The 'import dollar' costs retail buyer about IS500

By MACABEE DEAN

TEL AVIV.– Although the shekel has been devalued by 323 per cent since June 1, 1983, the average rate of the "import dollar" has been increased by 430 per cent, according to the Federation of Israeli Chambers of Commerce. The "import dollar" is made up of its basic price "at the port" and includes customs duties and the compulsory deposit. But it does not include the costs of warehousing, transportation, wholesalers' and retailers' profits or VAT.

Due to the increases since June 1, 1983, and taking into account the price of the "import dollar" before that date, the "import dollar" is approximately 2.5 times its official rate (which is close to IS200 to $1), or about IS500 to $1.

In some cases, like that of imported cars 1,800 cc to 2,000 cc engines, the "import dollar" is as high as IS760.

The rate for other imported items is as follows: washing machines, IS483.7, an increase of 387 per cent since June 1, 1983, considerably more than the 323 per cent devaluation of the shekel. Cosmetics, IS425.8, an increase of 461 per cent; cars (1,300 cc), IS593.6, an increase of 410 per cent; chocolate bar, IS327.8, an increase of 456 per cent; refrigerators, IS515.7, an increase of 397 per cent; TV set, IS483, an increase of 424 per cent.

The federation notes that the increase in the price of imports since June 1, 1983, "creates a high barrier behind which local industry can flourish, raise prices and make profits."

The federation also called yesterday on Prime Minister Yitzhak Shamir to intervene against the Finance Ministry's decision not to abolish the "compulsory deposit" which increases the price of imports by 13 per cent.

U.S.-Israel scientific cooperation plan

Jerusalem Post Reporter

A programme for cooperation in energy research and development projects between Israel and the U.S. was approved recently by the energy ministers of both countries.

The plan will provide $750,000 each year for joint research and conferences. It will also give Israeli scientists access to American know-how in the fields of solar energy, oil shale, conversion of industry to coal, biomass energy and energy conservation.

The programme was prepared during the visit here six months ago of U.S. Secretary of Energy Donald Hoddel.

Most Shenkar college graduates succeed

By LEA LEVAVI
Jerusalem Post Reporter

TEL AVIV. – Over 70 per cent of the approximately 1,000 graduates of the Shenkar Fashion College hold high-level positions in Israel's fashion and textile industry, Prof. Gad Allon, president of the college, said this week. This compares with about 40 per cent of engineering graduates who remain in the profession, he added.

Without Shenkar graduates, Israel's fashion industry would not have been able to make the transformation from a labour-intensive to a machine-intensive industry, he said. The meeting of the college's international board of governors, which will be held on the campus in Ramat Gan tomorrow and Thursday will be devoted largely to the question of how to train students to work with the technology of the year 2000 and beyond, much of which does not yet exist.

Like all institutions of higher learning, Shenkar is concerned about the long-range effcts of cuts in government support. "Without continually updating your equipment, you can't march in the front lines of technology and science," Allon said.

At the board meeting a new research laboratory, named for the Grossman family of the U.S. which donated it, will be dedicated. This laboratory will specialize in research on automation in the clothing industry.

The other problem which concerns Allon is the small number of high school students who study science subjects. Students take the path of least resistance by choosing easy subjects, he said, but he is concerned about the country's economic future if there are not enough high school graduates with the basic skills to study technology or engineering.

Shenkar teaches both the artistic aspects of the fashion industry, such as fashion and fabric design, and the technological aspects such as textile chemistry, engineering and management.

At the board meeting honorary fellowships will be given to Claire Vogleman of the U.S., a long-time friend of the school, and Hanna Weiss, of the fashion department at the Ministry of Industry and Trade. A "Friend of the college" award will be given to Gedalia Ya'acobi of the Council for Higher Education, who has been very helpful to the college during its 14-year history and who is now retiring.

TUGS. – The Ports Authority is to spend $10 million on new tug boats and is negotiating with Israel Shipyards in connection with building them.

RECORD OF FAILURE

(Continued from page 5)

ments checked by the comptroller had to be cancelled on appeal, and 49 per cent were reduced – from a total, in the sample, of IS35.5m. to IS9.1m. – while assessments totalling IS2.6m. out of a total in the sample of IS51.6m. were upheld by the authorities.

Some 50 per cent of all VAT assessments are appealed, the comptroller notes, and the assessee runs the risk of having to pay linkage increments, interest and fines if his appeal is not accepted.

The authorities, however, are slow in making up their minds: in 34 cases checked, a decision on the appeal was taken between three and 11 months after it was submitted, and notices on the decision were further delayed. The documentation in the VAT administration, the comptroller says, did not reveal the reasons for the delay.

The comptroller recommends that in view of these delays, the VAT commissioner make use of his power to rescind the payment of fines, interest and linkage differentials. Harassment of taxpayers, the comptroller says, should be avoided

THE NEWS in this year's comptroller's report is, as has happened before, that it contains no news. The same strictures appear and reappear year after year, and while particular deficiencies may be corrected in response to the comptroller's criticism, there is no evidence of systematic improvement. But even if there had been, the results would probably have been submerged under the deterioration of financial management caused by continuing and accelerating hyperinflation.

CARELESSNESS

(Continued from page 5)

authorities managed to cut that down by providing it with surpluses found in other units, but nevertheless, IS20m. of equipment was missing, the comptroller reported.

SEVERE CRITICISM was also levelled at the School for Anti-Aircraft Gunners. Some 25 per cent of the officers there lacked the required capabilities, the comptroller reported.

Exercises were cancelled for various reasons. Trainees did not arrive, a course for commanders of 40mm anti-aircraft guns was to have included aiming at jet planes – but planes were not assigned for the exercise. In another instance a field exercise in one of the courses was called off because there were no drivers and the weather was bad.

Moreover, some officers had difficulty identifying planes. The school has 3,000 slides, as well as films with pictures of planes in flight. But some of the modern Israeli and enemy planes do not appear in them.

THE COMPTROLLER also reported that one-quarter of the women who reached military age were excused from duty in the Israel Defence Forces because they claimed they were religious.

Only 62 per cent of military-age women were called up, he said.

Some 5 per cent were discharged because they married, while 2 per cent failed to meet the army's minimum standards; 1 per cent were rejected for health reasons and 5 per cent for other, unspecified, reasons.

SOVIET OIL. — Soviet geologists have discovered a field of high-quality oil near the Aral Sea in Central Asia, an area previously thought unlikely to contain viable reserves, the Tass news agency reports.

Referendum to curb Swiss bank secrecy likely to fail

ZURICH (Reuter). – A seven-year battle to open up Swiss banking secrecy comes to a climax with a crucial vote on Sunday, and Zurich bankers are glad it will soon all be over. They are confident the petition to be put to public referendum by the Socialist Party will be defeated decisively by the electorate.

The proposed change to the constitution could threaten Switzerland's position as the world's third-ranking international financial centre after New York and London. It would oblige banks to reveal details about customers' accounts to Swiss or foreign authorities investigating tax evasion or the illegal flight of capital. Gone would be Switzerland's reputation as a haven for funds from war, political unrest and the long arm of the tax collector.

But the bankers say the latest opinion polls they have taken show the referendum has little chance of success.

"Even the humblest Swiss worker has a little nest-egg stacked away in a savings account which he does not tell the taxman about," one Swiss banker said. "He is not go... to vote that privilege away."

Union Bank of Switzerland president Nikolaus Senn warned last February that acceptance of the petition would lead to a massive outflow of the hundreds of billions of dollars held by foreigners in Switzerland. Interest rates and rents would soar, the stock market would collapse, tens of thousands of jobs would be lost in banking, and the banks would no longer be able to bail out ailing industries, Senn said.

Back in 1977, when plans to hold the referendum were launched, the banks had few such friends. The prestigious Credit Suisse had just lost 1.4 billion Swiss francs ($615 million) because a senior manager had been illicitly building his own industrial empire for a decade with customer funds smuggled over the border from Italy and laundered through Liechtenstein.

Other large banks suffered big losses through shady foreign exchange dealings, and several smaller ones went bust. Switzerland began to look like a haven for wheeling and dealing with flight capital from all over Europe and the Third World.

As a rapidly-appreciating Swiss franc threatened thousands of jobs in the Swiss export industry, the Socialist Party launched the referendum with the slogan "Switzerland: a place for finance or a place to work?"

Now this question has lost much of its point. Over the past two years the banks have mounted the largest industrial rescue operation in Swiss history by pumping SFr 850m. ($370m.) into the two main watchmaking companies to save them from bankruptcy.

"The referendum is not a move against the banks, but against abuse of banking secrecy and banking power and against tax evasion," said Socialist banking expert Rudolf Strahm.

But the booming 1970s have given way to the recessionary 1980s, and it is hard to persuade voters to curb the power of institutions which are preserving jobs.

The referendum has also been blunted by action taken in the meantime to clean up the banking scene. In order to deter Mafia and kidnap ransom funds, the banks must now ensure they can identify account-holders.

They must lift secrecy if Swiss or foreign authorities are investigating offences which are crimes in Switzerland. And they must cooperate with U.S. inquiries into insider trading on Wall Street.

The referendum would also limit the stakes banks could take in industry and oblige them to publish their hidden reserves.

Defeat of the petition at the polls is likely to give bank shares and the whole Swiss stock market a pwerful boost and could cause a brief appreciation of the Swiss franc, financial analysts say.

BUDGET. – President Hafez Assad yesterday approved a 1984 budget for Syria providing for a total spending of 41 billion Syrian pounds ($7 billion), with an estimated third of the amount going to defence.

WIM VAN LEER

Time of My Life

Is the story of a varied life from a confrontation with the Depression years as a jazz musician to searching for Gzarist gold in Outer Mongolia, from a rescue operation in Nazi Germany to a short-lived career as a garbage collector. The book includes recollections of his rather eccentric family plus vignettes of an off-beat, colourful life story.

Published by The Jerusalem Post and Carta, hardcover, 400 pgs.

PRICE IS 3,459

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Please send me TIME OF MY LIFE. I enclose a cheque for IS3,459.

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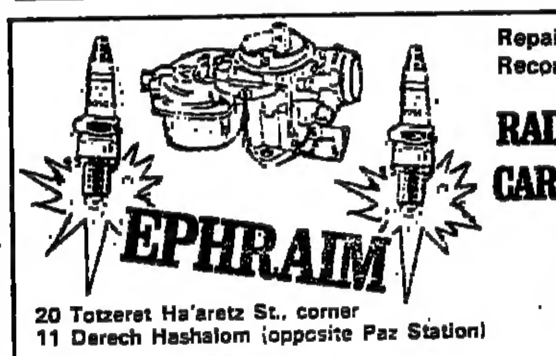

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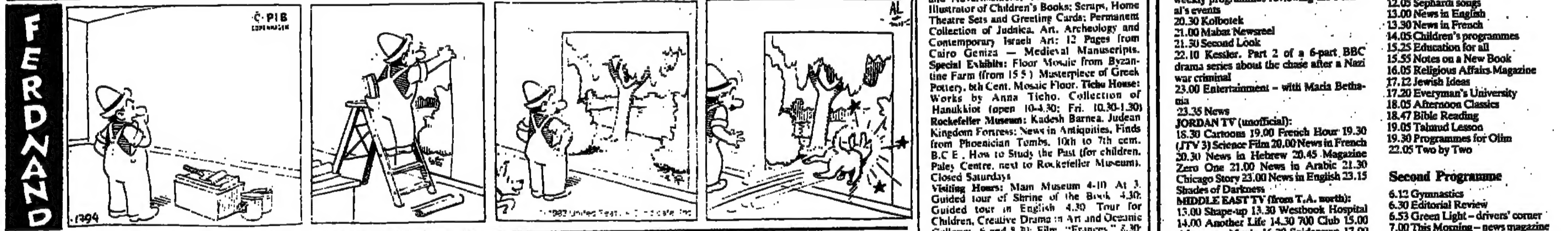


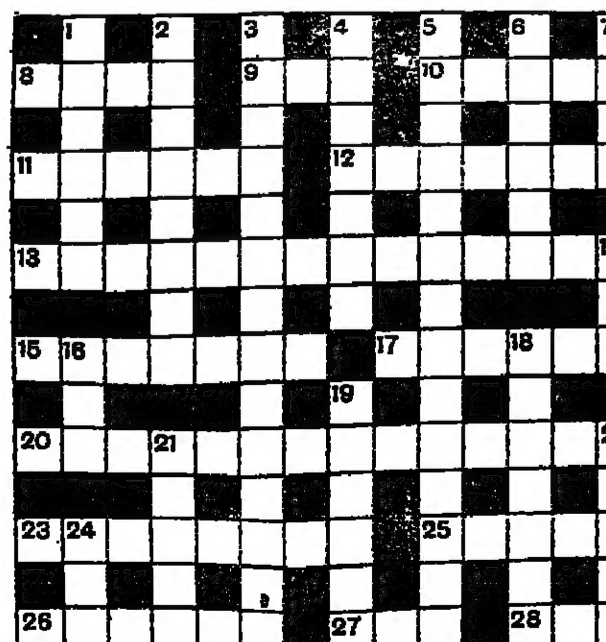
ONE-AND-ONE CROSSWORD

ACROSS

8 Moon River (4)
9 No Scots display half a birthmark (3)
10 Dotty pair from Düsseldorf? (6)
11 Second lorry in collision (6)
12 So full of life but vanished when away (8)
13 Speaking thus pompously, try equalling Don excitedly (15)
15 Member of the band which broke up in "1812" (7)
17 Science love to encourage this instrument of punishment (7)
20 Lack of restraint at home to prevent motorway race (15)
23 The fudge to make young Tucker decay (5-3)
25 Organised detectives' rank (6)
26 Horseshoes set for some courses (6)
27 Some tea-things show taste (3)
28 Told a fib in song (4)

DOWN

1 Dairy produce from goat, for example (6)
2 Elected and sent back (8)
3 Has task in greens, perhaps, to find lurking danger (5, 2, 3, 5)
4 Stretched condition of faulty tennis-ball? (7)
5 Hard set pieces introduced by avant-garde players from France? (7, 8)
6 A pound-piece charged in Britain once (6)
7 Unusual clue for "pike" (4)
14 Bit of a flight — taking in half the field? (3)
16 Tea-receptacle universally shown to sailors (3)
18 Ravel to do away with (8)
19 Conceal broken thermos (7)
21 It is demonstrated when mien changes extremely threateningly (6)
22 Mr Brownlow's small charge entered in the book (6)
24 Constable used them when removing leader from gatherings (4)



GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Ramat Eshkol, 15 Ferrn, 810552. Balsam, Salah Eddin, 272315. Shu'afat, Shu'afat Road, 810108. Dar Eldawa, Herod's Gate, 282055.
Tel Aviv: Dizengoff, 223336. Lev Hair, 69 Ahad Haam, 613962.
Netanya: not available
Haifa: Sprinzak, 57 Zerrat, 524544. Herman, K. Motzkin, 715136.

DUTY HOSPITALS

Jerusalem: Hadassah E.K. (pediatrics, E.N.T.), Bikur Holim (internal, gynecology), Shaare Zedek (surgery, orthopedics, ophthalmology).
Tel Aviv: Rokah (pediatrics, ichil.?, internal, surgery)
Netanya: Laniado (obstetrics, internal, pediatrics, gynecology, surgery)

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Magen David Adom emergency phone numbers (round the clock service)

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Bat Yam *585555	Nahariya *923333
Beersheba 78333	Netanya *23333
Carmiel *988555	Petah Tikva *9231111
Dan Region *781111	Rehovot *51333
Eilat 72333	Rishon LeZion 942333
Hadera 22333	Safed 30333
Haifa *512233	Tel Aviv *240111
Herzliya 92333	Tiberias *90111
Holon 803133	

*Mobile Intensive Care Unit (MICU) service in the area round the clock
101 Emergency phone number in most areas

Jerusalem Center for Drug Abuse and Misuse Intervention, Tel. 663824, 663902, 14 Beth Lehem Rd.

"Eran" — Mental Health First Aid, Tel. Jerusalem 669911, Tel Aviv 253311, Haifa 538 888, Beersheba 48111, Netanya 35316.

Rape Crisis Centre (24 hours), for help call Tel Aviv, 234819, Jerusalem — 810110, and Haifa 88791.

POLICE

Dial 100 in most parts of the country. In Tiberias dial 924444, Kiryat Shmona 40444.

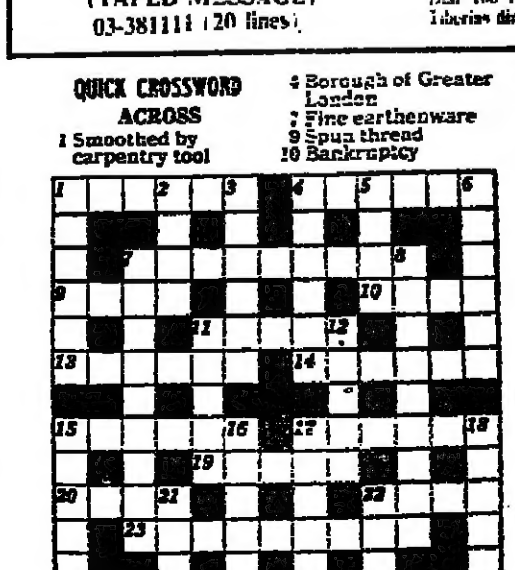
QUICK CROSSWORD

ACROSS

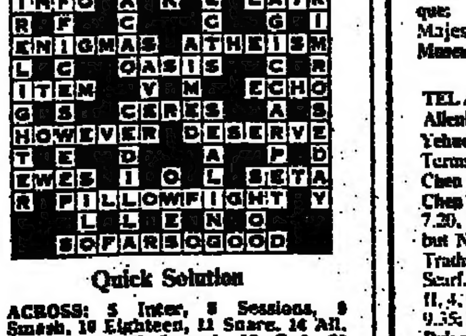
1 Smoothed by carpentry tool
4 Borough of Greater London
7 Fine earthenware
9 Spun thread
10 Bankruptcy
11 Let in
13 Deep rolling noise
14 Wish otherwise
15 Poverty
17 Wickets
19 Present times
20 Verdi opera
22 Intertwine
23 Pre-eminent
24 Glowing ashes
25 Chest-noise

DOWN

1 Entreaty
2 Midday
3 Series of ten years
4 Chocolate cake
5 Den
6 Precious stone
7 Leisurely walk
8 Food
11 Watchful
12 Irritable
15 Ornamental tablet
16 Country bumpkins
17 Unhealthy yellowish colour
18 Colonise
21 Wheel-shaft
22 Leg-joint



Yesterday's Solution



Quick Solution

ACROSS: 5 Inter, 8 Sessions, 9 Smash, 10 Eighteen, 11 Snare, 14 All, 16 Keeper, 17 Intend, 18 Cod, 20 Sorry, 24 Handsome, 25 Holly, 26 Agitated, 27 Aside. DOWN: 1 Askew, 2 Usage, 3 Kitty, 4 Unreal, 6 Nobilnate, 7 Ensuring, 12 Venomous, 13 Sparkled, 14 Arc, 15 Lid, 19 Orange, 21 Edith, 22 Worth, 23 Seedy.

WHAT'S ON

Notices in this feature are charged at IS684 per line including VAT, insertion every day of the month costs IS13.501 including VAT, per month. Copy accepted at offices of the Jerusalem Post and all recognized advertising agents.

Jerusalem

MUSEUMS

Israel Museum. Exhibitions: Window to Islam: Islamic culture, religion, science and Court life; Gallery of the Roman Period-renovation of gallery and new finds; Nahum Tevet, Wall Statues and Models for Large Sculptures; Jonathan Borofsky, Environmental Sculpture and 3-Dimensional Painting. Face and Body, New Acquisitions in Photography: Henrion, 45 Years of Design; David Schneuer, Posters and Advertisement; Tom Seidmann Freud, Illustrator of Children's Books; Scraps, Home Theatre Sets and Greeting Cards; Permanent Collection of Judaica, Art, Archeology and Contemporary Israeli Art: 12 Pages from Cairo Geniza — Medieval Manuscripts. **Special Exhibits:** Floor Mosaic from Byzantine Farm (from 15.5.) Masterpiece of Greek Pottery, 6th Cent. Mosaic Floor. **Ticho House:** Works by Anna Ticho. Collection of Hanukkiot (open 10-4.30; Fri. 10.30-1.30) **Rockefeller Museum:** Kadesh Barnea, Judean Kingdom Fortress: News in Antiquities, Finds from Phoenician Tombs, 10th to 7th cent. B.C.E. How to Study the Past (for children), Paley Centre, next to Rockefeller Museum). Closed Saturdays

Visiting Hours: Main Museum 4-10. At 3. Guided tour of Shrine of the Book 4.30: Guided tour in English 4.30 Tour for Children, Creative Drama in Art and Oceanic Galleries 6 and 8.30 Film, "Frances," 8.30 Lecture and Gallery Talk," Sidonian Glass" by Yael Israeli.

CONDUCTED TOURS

HADASSAH — Guided tour of all installations • Hourly tours at Kiryat Hadassah and Hadassah Mt. Scopus. • Information, reservations: 02-416333, 02-446271

Hebrew University:
1. Tours in English at 9 and 11 a.m. from Administration Building, Givat Ram Campus. Buses 9 and 28
2. Mount Scopus tours 11 a.m. from the Bronfman Reception Centre, Sherman Building. Buses 9 and 28 to last stop. Further details: Tel. 02-882819

American Mizrachi Women. Free Morning Tours — 8 Alkalai Street, Jerusalem. Tel 02-699222, 55

Tel Aviv

MUSEUMS

Tel Aviv Museum. Exhibitions: Israeli Art; Classical Painting in 17th and 18th centuries; Impressionism and Post-Impressionism; Twentieth Century Art. **Visiting Hours:** Sun-Thur 10-10. Fri closed. Sat 10-2, 7-10. Helena Rubinstein Pavilion: **New Exhibition:** A Pear and an Apple — Exhibition on Still-Life. **Visiting Hours:** Sun-Thur. 9-1; 5-9. Sat 10-2. Fri. closed.

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WIZO: To visit our projects call Tel Aviv, 232939, Jerusalem, 226060; Haifa, 89537.
PIONEER WOMEN — NA'AMAT. Morning tours. Call for reservations. Tel Aviv, 256096

MISCELLANEOUS

Hadassah Visitors Dept. Please call 03-491459.

Haifa

Golden Age Club (Rothschild Community Centre, Mt. Carmel), today 4.15: Talk on "Springtime Music" by Mr. Hans Bromberger. Guests and new members welcome

What's On in Haifa, dial 04-640840.

ENTERTAINMENT

TELEVISION

EDUCATIONAL:
8.15 School Broadcasts 15.00 Everyman's University: The Age of Revolutions; Plants: Introduction to Life Sciences 16.00 Touch 16.30 Pretty Butterfly 17.00 A New Evening – live magazine

CHILDREN'S PROGRAMMES:
17.30 3, 4, 5½
17.50 Faster, Higher, Stronger – Sports

ARABIC LANGUAGE programmes:
18.30 News roundup
18.32 Youth Magazine
19.00 Documentary
19.30 News

HEBREW PROGRAMMES resume at 20.00 with a news roundup
20.02 The Jerusalem Festival – first of 6 weekly programmes reviewing the Festival's events
20.30 Kolbotek
21.00 Mabat Newsreel
21.30 Second Look
22.10 Kessler. Part 2 of a 6-part BBC drama series about the chase after a Nazi war criminal
23.00 Entertainment – with Maria Bethania
23.35 News

JORDAN TV (unofficial):
18.30 Cartoons 19.00 French Hour 19.30 (JTV 3) Science Film 20.00 News in French 20.30 News in Hebrew 20.45 Magazine Zero One 21.00 News in Arabic 21.30 Chicago Story 23.00 News in English 23.15 Shades of Darkness

MIDDLE EAST TV (from T.A. north):
13.00 Shape-up 13.30 Westbook Hospital 14.00 Another Life 14.30 700 Club 15.00 Afternoon Movie 16.30 Spiderman 17.00 Popeye 17.30 Flying House 18.00 Laramie 19.00 Bonanza 20.00 Another Life 20.30 World News Tonight 21.00 Entertainment Special WKRP Cincinnati 21.30 White Shadow 22.30 I Spy 23.20 700 Club 23.50 News Update

ON THE AIR

Voice of Music

6.03 Musical Clock
7.07 Morning Concert (no details available)
7.30 Morning Concert (continued)
9.30 Morning Concert (continued)
12.00 Bach: Suite No. 3 (Hanoch Greenfeld); Bloch: Modal Suite (Ra'anan Eylon, Benjamin Perl); Haydn: String Quartet Op. 76, No. 4 (Italian)
13.05 Audran: La Mascotte; Johann Strauss: Night in Venice; Jerome Kern: Showboat
15.00 Music Quiz (repeat)
16.00 Youth Programme
16.30 The Israel Sinfonietta, Beersheba, John Curry conducting — All-Bach-programme: Cantata No. 209; Violin Concerto in D minor (Eliyahu Shulman); Suite No. 2
18.00 From the Record Library
19.05 Vivaldi: concerto for 2 Horns and Strings; Schumann: Fantasy Pieces, Op. 12 (Brendel); Schubert: Music from Rosamunde; Verdi: Excerpts from Il Trovatore, second act (Leontyne Price, Placido Domingo, Zubin Mehta); Mussorgsky: Coronation Scene from Boris Godunov; Sarasate: Gypsy Melodies (Jascha Heifetz); Saint-Saens: Bacchanale from Samson and Delilah (Boston, Fiedler)
20.30 The Jerusalem Symphony Orchestra, Yuri Aharonovitch conducting with Ilan Rogoff, piano — Arthur Gelbrun: Songs of the River (Lily Tuneh); Chopin: Piano Concerto No. 1; Dvorak: Symphony No. 6, Op. 60
23.00 Night Concert

First Programme

6.03 Programmes for Olim
7.30 Morning Concert (from Voice of Music)
9.30 Encounter – live family magazine
10.30 Programme in Easy Hebrew
11.10 School Broadcasts
11.30 Education for all
12.05 Sephardi songs
13.00 News in English
13.30 News in French
14.05 Children's programmes
15.25 Education for all
15.55 Notes on a New Book
16.05 Religious Affairs Magazine
17.12 Jewish Ideas
17.20 Everyman's University
18.05 Afternoon Classics
18.47 Bible Reading
19.05 Talmud Lesson
19.30 Programmes for Olim
22.05 Two by Two

Second Programme

6.12 Gymnastics
6.30 Editorial Review
6.53 Green Light – drivers' corner
7.00 This Morning – news magazine
8.05 Safe Journey
9.05 House Call – with Rivka Michaeli
10.10 All Shades of the Network
12.05 Open Line – news and music
13.00 Midday – news commentary, music
14.10 A Taste of Honey – with Dan Kaner
16.10 Safe Journey
17.10 Economics Magazine
17.30 Of Men and Figures
18.05 Health and Medicine Magazine
18.45 Today in Sport
19.05 Today – radio newsreel
19.30 Conflict – live election argument
20.05 Cantorial Requests
22.05 Jazz Corner
23.05 Station – with Amikam Rotman

Army

6.06 Morning Sounds
6.30 University on the Air
7.07 "707" – with Alex Anski
8.05 Morning Newsreel
9.05 Right Now – with Rafi Reshef
11.05 Israeli Spring – with Eli Yisraeli
13.05 Two Hours
15.05 What's Wrong – with Erez Tal
16.05 Four in the Afternoon
17.05 Evening Newsreel
18.05 Computer Magazine
19.05 Music Today – music magazine
20.05 Rock Plus
21.00 Mabat – TV Newsreel
21.35 University on the Air (repeat)
22.05 Popular songs
23.05 Classical Night Birds – with Rami Evron
00.05 Night Birds – songs, chat

CINEMAS

JERUSALEM 4, 7, 9
Eden: Private School for Girls; Edison: Footloose; Habirah: Honorary Consul; Kfir: Yentl 4, 6.45, 9.15; Mitchell: Terms of Endearment 6.45, 9; Orion: The Day After 4, 6.45, 9; Orna: The Right Stuff 4, 8; Ron: The Missionary; Semadar: Return of Martin Guerre 7, 9.15; Binyenei Ha'uma: Cannery Row; Cinema One: Zorba the Greek 7; Les Miserables 9.15; Cinematheque: Annie 4; Funny Girl 7; On Her Majesty's Secret Service 9.30; Israel Museum: Frances 6, 8.30.

TEL AVIV 4.30, 7.15, 9.30
Allenby: Great Santini 5, 7.30, 9.30; Ben-Yehuda: Footloose 5, 7.30, 9.40; Chen 1: Terms of Endearment 4.35, 7.45, 9.45; Chen 2: Never Cry Wolf 4.50, 7.15, 9.45; Chen 3: Return of Martin Guerre 4.40, 7.20, 9.45; Chen 4: Experience Preferred but Not Essential 5, 7.30, 9.45; Chen 5: Trading Places 5, 7.15, 9.45; Cinema One: Scarface 6, 9.30; Cinema Two: Godfather II, 4, 9.30; Class: Love Streams 4.40, 7.10, 9.35; Dekel: Unfaithfully Yours 7.15, 9.30; Drive In: Big Laugh 8, 9.45; Sex film, 12 midnight; Esther: J'ai Epouse un Ombre 5, 7.30, 9.30; Gat: Right Stuff 5, 8.45; Gordon: Mal More 5, 7.30, 9.40; Hod: Irma La Douce 4, 6.45, 9.30; Lev I: Zelig 1.30, 4.30, 7, 9.30; Lev II: The Dresser 1.30, 4.30, 7, 9.30; Limor: Passenger in the Rain 5, 7.30, 9.40; Maxim: Escape from the Bronx 5, 7.30, 9.30; Mograbi: Gorky Park 4.30, 7, 9.30; Orly: Vertigo 4.30, 7, 9.30; Paris: Fire and Ice 10, 12, 2, 4, 7.15, 9.30; Peer: Betrayal 5, 7.30, 9.40; Shahaf: Yentl 4.15, 7, 9.30; Studio: Educating Rita; Tchelet: Tender Mercies 5, 7.30, 9.45; Tel Aviv: Never Say Never Again 4.30, 7, 9.30; Tel Aviv Museum: State of Things; Zafon: Fanny and Alexander 4.30, 8.30

HAIFA 4, 6.45, 9
Amphitheatre: Le Papillon 4, 6.30, 9; Armon: Seduction; Atzmon: Never Say Never Again 4, 6.30, 9; Chen: Return of Martin Guerre; Moriah: Educating Rita 6.45, 9; Orah: Gorky Park 4, 6.30, 9; Orly: no prfs.; Peer: Terms of Endearment 4, 6.30, 9; Ron: Footloose; Shavit: Fanny and Alexander 8.30

RAMAT GAN
Armon: Go For It 8.45; Cinderella 5; Lily: Educating Rita 7.30, 9.40; Oasis: Star Ship Invasion 5, 7.15, 9.45; Ordea: Never Say Never Again 5, 7.30, 9.45; Ramat Gan: Under Fire 7.15, 9.30

HERZLIYA
David: Sun Stroke 5, 7.30, 9.30; Tiferet: I Love You Carmen 7.30, 9.30

HOLON
Migdal: Terms of Endearment 7.15, 9.40; Savoy: Private School 5, 7.30, 9.30

هكذا من الأصل

Money Matters

Selling wave rolls on

Tel Aviv Stock Exchange

By MACABEE DEAN

TEL AVIV.– The massive wave of selling continued yesterday. If on Sunday the index of the "free" bank shares fell by 1.91 per cent, yesterday it fell by 2.07 per cent.

But despite heavy selling pressure, the "arrangement" shares firmed up (due mainly to the readiness of the Bank of Israel to come to their rescue), and they even rose slightly, by 0.08 per cent. (They fell by 1.24 per cent on Sunday.) Thus, if it had not been for the intervention of the Bank of Israel yesterday, the General Share Index would have fallen by much more than the 0.62 per cent it actually dropped. (On Sunday, when the "arrangement" shares fell, the General Share Index fell by 1.58 per cent.)

Turnovers were also smaller yesterday. Only IS468 million compared to IS641m. the day before. Yesterday the "arrangement" shares accounted for only 52 per cent of the total turnover, compared to 60 per cent on the previous day.

Thus, the total turnover in free shares was only about $1.2m., which is a very low turnover in shares in view of the fact that the "arrangement" shares can be considered as government-guaranteed dollar-linked bonds.

Shares fell along a broad line. A full 134 securities fell by 5 per cent or more, (of which 27 were "sellers only"), and only 35 rose by 5 per cent or more, (of which eight were "buyers only").

Oil shares had a very bad day. *Their index fell* by 3.26 per cent, with Delek Exploration, which has the largest share in the oil well *brought in at Kochav 26, falling by* 10.4 per cent. The 100 barrels a day expected from Kochav 26 cannot be *considered a "gusher of black gold,"* at least not on the stock market. Other oil shares that fell considerably include Teroil, both down by 10 per cent, and both JOEL shares were "sellers only."

But the greatest fall was chalked up by land development stocks, whose index fell by 3.73 per cent. Oren fell by 9.6 per cent, Baranowitz by 11.2, Drucker by 8.9, Cohen Development by 12.2, Lumir by 10, Menrav by 11.5, Solel Boneh by 10, *Caesarea by 10.1, Rassco ordinary* by 8.7 and Shenhar by 9.9 per cent.

Other shares which fell heavily were Danot 1, by 10.1 per cent, Jaysour by 9.8 per cent, Reinsurance by 10 per cent, Pargod by 14.9 per cent and Intergamma by 14.3 per cent.

Financial circles put most of the blame for the heavy selling wave on the mutual funds. The public, if it has decided to invest in shares lately, has done so through the mutual funds. Now people are selling their mutual fund shares, which are not doing well lately, and these funds, in order to raise cash, are themselves selling shares.

The index of index-linked and other bonds rose by 0.33 per cent. Most of the sales, some IS139 million, (out of a total of IS544m.) were in dollar-linked bonds.

Announcements:

***Zur Insurance** reports an adjusted* loss of IS150m. for 1983, compared with an adjusted loss of IS87.2m. in the preceding year. The company's balance sheet increased in 1983 by 151.4 per cent, to stand at IS2.649m.

Hadar Insurance reports an adjusted loss of IS204.3m. for 1983, compared to an adjusted profit of IS2.1m. for 1982.

Galei Zohar (spa and tourism) had an adjusted loss of IS21.1m. in 1983, compared to an adjusted profit of *IS14.8m. in the previous year.*

Clal (Industrial Division) has decided that its 100 per cent bonus *share allocation for 1983 is final.*

Most active issues:

Leumi	2.988	IS105.8m.	n.c.
IDB	6.920	IS38m.	n.c.
Discount	8.860	IS36.8m.	n.c.
Turnover in stocks:		IS13.2m.	
Convertibles:		IS544m.	
Bonds:		IS454.8m.	
Stocks up:	106		
Stocks down:	293		

Science-based industry for W. Galilee

Jerusalem Post Reporter

The Ministerial Economic Committee gave final approval to establishing a region for science-based industries in the Western Galilee area around Carmiel, in its meeting on Sunday.

Science and Development Minister Yuval Ne'eman said that in addition to sophisticated industries, the region would also benefit from planning that would assure a high quality of life.

There are already 20 such plants in the area, he said, and every year more will be added. One advantage the area has, Ne'eman noted, is that it is close to the centres of highly-trained academic manpower at the Technion and the Rafael armaments *industries located in Haifa.*

An ORT college for technicians and practical engineers is also planned for Carmiel, to supply other needed manpower to the science-based plants.

Bank of Israel exchange rates

Monday, May 14	IS
U.S. dollar	190.55
British sterling	263.20
German mark	68.622
French franc	22.351
Dutch guilder	61.080
Swiss franc	83.126
Swedish krona	23.388
Norwegian krone	24.145
Danish krone	18.757
Finnish mark	32.539
Canadian dollar	147.10
Australian dollar	170.80
South African rand	146.98
Belgian franc (10)	33.717
Austrian schilling (10)	97.630
Italian lire (100)	111.50
Japanese yen (100)	82.302
Irish pound	210.84
Spanish peseta (100)	122.74
Jordanian dinar	501.15
Lebanese lira	33.280
Egyptian pound	164.83

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"DOLLAR PAZ", 1 UNIT	583.2388	590.5162
"EURO PAZ", 1 UNIT	669.7595	678.1165
S.D.R.	196.4237	198.8745

FOREIGN CURRENCY EXCHANGE RATES — FOR 14.5.84

COUNTRY	CURRENCY		CHEQUES AND TRANSACTIONS PURCHASE	CHEQUES AND TRANSACTIONS SALE	BANKNOTES PURCHASE	BANKNOTES SALE
U.S.A.	DOLLAR	1	189.3686	191.7314	187.6900	194.3600
GREAT BRITAIN	STERLING	1	261.4422	264.7044	259.1200	268.3300
GERMANY	MARK	1	68.1672	69.0176	67.5600	69.9600
FRANCE	FRANC	1	22.2237	22.5010	21.2500	22.5100
HOLLAND	GULDEN	1	60.7339	61.4918	60.1900	62.3300
SWITZERLAND	FRANC	1	82.6143	83.6451	81.8800	84.7900
SWEDEN	KRONA	1	23.2496	23.5398	22.7400	23.8600
NORWAY	KRONE	1	23.9798	24.2790	23.4500	24.6100
DENMARK	KRONE	1	18.6432	18.8758	18.2300	19.1300
FINLAND	MARK	1	32.3375	32.7410	31.6300	33.1900
CANADA	DOLLAR	1	146.2079	148.0323	143.7500	150.0600
AUSTRALIA	DOLLAR	1	169.7155	171.8331	162.1500	175.7600
SOUTH AFRICA	RAND	1	146.0050	147.8268	123.0000	156.1500
BELGIUM	FRANC	10	33.5106	33.9288	—	—
AUSTRIA	SCHILLING	10	96.9629	98.1728	96.1000	99.5200
ITALY	LIRE	1000	110.6771	112.0581	104.7500	113.5900
JAPAN	YEN	1000	817.6537	827.8558	810.4000	839.2100

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FOREIGN CURRENCY
14.5.84
Yesterday's foreign exchange rates against the Israel Shekel, for U.S. dollar transactions under $2000 and transactions of other currencies under the equivalent of $500.

	Selling	Buying
US$	191.7318	189.3682
Sterling	265.0117	261.7447
DM	69.0677	68.2162
French FR	22.4839	22.2067
Dutch G	61.4623	60.7046
Swiss FR	83.6636	82.6321
Swedish KR	23.5687	23.2782
Norwegian KR	24.3779	24.0773
Danish KR	18.8759	18.6431
Finnish MK	32.7467	32.3430
Canadian $	147.9526	146.1287
Australian $	171.3355	169.8159
Rand	148.0841	146.2585
Belgian Conv(10)	33.9048	33.4868
Belgian Fin(10)	33.3534	32.9421
Austrian SH(10)	98.1604	96.9503
Yen(100)	82.8965	81.6770
Spanish PTS(100)	123.4193	121.8978
Italian Lure(1000)	112.1895	110.8064

GOLD: $371.30/371.80 oz

INTERBANK SPOT RATES:

US$	1.3810/20	per £
DM	2.7760/70	per $
Swiss FR	2.2920/30	per $
French FR	8.5225/75	per $
Italian Lire	1709.00/50	per $
Dutch G	3.1195/05	per $
Yen	231.75/85	per $
Danish KR	10.1585/10	per $
Norwegian KR	7.8625/75	per $
Swedish KR	8.1300/50	per $
Belgian Fin	57.44/49	per $
Belgian Con	56.46/48	per $

FORWARD RATES:

	1 mon.	3 mos.	6 mos.
$/£	1.3819/53	1.3898/39	1.3391/40
DM/$	2.7617/28	2.7354/67	2.8959/74
Sw FR/$	2.2756/71	2.2450/65	2.2014/34

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Commercial Banks

(not part of "arrangement")	Closing price	Volume IS1,000	Change	% change
OHH r	1870	2	n.c.	—
Maritime 0.1	648	b.o.1	+31	+5.0
Maritime 0.5	271	1353	n.c.	—
N. American 1	1895	117	−51	−2.6
N. American 5	1467	122	−39	−2.6
N. Am. op 1	2884	60	−43	−1.5
Danot 1	356	102	−40	−10.1
Danot 5	86	2284	−2	−2.3
Danot sc 2	210	85	−15	−6.7
First Int 0.5	298	1479	−1	−.3
FIBI 0.5	380	1739	−1	−.3

Commercial Banks

(part of "arrangement")	Closing price	Volume IS1,000	Change	% change
IDB p	—	—	—	—
IDB r	6920	549	n.c.	—
IDB B r	7210	8	+210	+3.0
IDB p A	45150	—	n.c.	—
IDB op 11	—	—	—	—
Union 0.1	5150	76	n.c.	—
Discount B r	9001	98	+1	—
Discount A r	8860	416	n.c.	—
Discount op 2	1098	202	+43	+4.1
Discount B cn	—	—	—	—
Mizrahi r	2845	694	n.c.	—
Mizrahi h	2845	4	n.c.	—
Mizrahi op 11	no trading			
Mizrahi op 12	2080	268	−30	−1.4
Mizrahi cn 6	265000	—	+600	+2.3
Mizrahi cn 4	1300	100	−50	−3.7
Hapoalim p	6000	3	−312	−4.9
Hapoalim r	4690	388	n.c.	—
Hapoalim h	4690	112	n.c.	—
Hapoalim cn 4	18020	3	n.c.	—
General A	12500	11	+500	+4.2
General op 8	29000	1	n.c.	—
General op 9	12230	6	+629	+5.4
General cn 5	9350	6	n.c.	—
General cn 7	600	58	n.c.	—
Leumi 0.1	2988	3535	n.c.	—
Leumi cn 9	4180	43	n.c.	—
Leumi cn 11	1191	106	n.c.	—
Finance Trade	4140	9	+80	+2.0
Finance Trade 5	2242	24	+140	+6.7
Finance Tr op	3762	—	+1	—

Mortgage Banks

	Closing price	Volume IS1,000	Change	% change
Adanim 0.1	1098	32	−45	−3.9
Gen Mortgage	1313	47	−15	−1.1
Gen Mortgage	1313	—	−11	−.8
Carmel r	770	29	n.c.	—
Carmel op	no trading			
Carmel deb	287	115	+3	+1.1
Binyan	1870	8	n.c.	—
Des Mortgage r	450	304	−13	−2.8
Des Mortgage h	460	—	−3	−.7
Des Mort op	390	1	−11	−2.7
Mishkan r	3420	7	—	—
Independence	2708	s.o.1	−142	−5.0
Tefahot p r	1300	—	—	—
Tefahot r	1125	51	−40	−3.4
Tefahot deb. 1	690	30	n.c.	—
Tefahot deb. 2	359	940	−1	−.3
Jaysour 1	193	190	−21	−9.8
Jaysour 5	170	85	−14	−7.9
Jaysour op	126	85	−14	−10.0
Merav r	280	176	−2	−.7

Financial Institutions

	Closing price	Volume IS1,000	Change	% change
Shilton r	82	417	−2	−3.0
Shilton op B	1470	—	−156	−9.6
Agriculture A	10700	—	—	—
Agriculture C	17000	—	+850	+5.3
Leumi Ind r	1178	141	−32	−2.6
Leumi Ind b	1178	8	−22	−1.8
Dev. Mort. r	10290	—	+290	+2.9
Dev. Mort. b	42600	—	—	—
Dev. Mort. C	26500	—	—	—
Dev. Mort. CC	26500	—	—	—
Dev. Mort. D	25999	—	—	—
Dev. Mort. DD	8102	—	—	—
Contractors	181	177	+10	+5.9
Tourism	18590	—	—	—
Clal Lease 0.1	306	110	n.c.	—
Clal Lease 0.5	240	11	+6	+2.6
Clal Lease deb	1269	24	−1	−.1

Insurance

	Closing price	Volume IS1,000	Change	% change
Aryeh r	557	100	+27	+5.1
Aryeh op	443	s.o.1	−42	−8.7
Aryeh sub deb	4000	1	−200	−4.8
Ararat 0.1 r	770	16	−80	−9.4
Ararat 0.5 b	270	66	−20	−6.9
Reinsur 0.1 r	624	21	−69	−10.0
Reinsur 0.5 r	169	62	n.c.	—
Hadar 1	290	16	−10	−3.3
Hadar 5	150	100	−10	−6.3
Hassneh r	550	1146	−6	−1.1
Hassneh op 4	—	—	—	—
Phoenix 0.1 r	1000	4	n.c.	—
Phoenix 0.5 r	440	—	—	—
Hamishmar 1	860	6	n.c.	—
Hamishmar 5	800	—	—	—
Hamishmar op	1000	5	n.c.	—
Yardenia 0.1 r	309	10	+28	+10.0
Yardenia 0.5 r	118	209	−6	−4.8
Yardenia op 2	95	s.o.2	−6	−5.9
Menorah 1	1100	—	—	—
Menorah 5	300	48	−20	−6.3
Sahar r	1290	2	n.c.	—
Securitas r	300	739	n.c.	—
Zur r	604	45	+29	+5.0
Zion Hold 1	316	h.o.1	+15	+5.0
Zion Hold. 5	137	141	n.c.	—

Trade & Services

Trade

	Closing price	Volume IS1,000	Change	% change
Meir Ezra	498	298	n.c.	—
Meir Ezra op	309	69	+12	+4
Teta 1	181	97	+8	+4.9
Teta 5	138	9	+3	+2.2
Teta op	59	127	−1	−1.7
Clal Trade	365	112	n.c.	—
Clal Trade op	500	87	+6	+1.2
Crystal 1	244	s.o.1	−13	−5.1
Rapac 0.1	1117	s.o.2	−59	−5
Rapac 0.5	250	23	+2	+.8
Supersol 2	865	80	−75	−8
Supersol B 10	450	441	−25	−5.3
Supersol op C	555	48	+5	+.9

Services

	Closing price	Volume IS1,000	Change	% change
Delek r	2900	55	+100	+3.6
Harel 1	1050	181	−65	−5.8
Harel 5	720	53	−30	−2.7
Lighterage 0.1	876	157	−15	−1.7
Lighterage 0.5	370	418	−30	−7.5
Cold Store 0.1	116975	—	—	—
Cold Store 1	1 8085	11	−100	−1.2
Israel Elec. r	no trading			
Bond Ware 0.1	663	170	+33	+5.2
Bond Ware 0.5	349	166	−39	−10.1
Bond Ware op	202	143	−6	−2.9
Consort Hold 1	394	31	−6	−1.5
Consort 0.5	305	112	−25	−7.6
Consort op A	292	12	+2	+.7
Kopel 1	250	10	−20	−7.4
Kopel op	131	4	n.c.	—

Hotels, Tourism

	Closing price	Volume IS1,000	Change	% change
Galei Zohar 1	no trading			
Galei Zohar 5	no trading			
Dan Hotels 1	910	11	−13	−1.4
Dan Hotels 5	490	50	n.c.	—
Coral Beach	641	s.o.1	−34	−5
Kenes	325	238	+25	+8.3
Yarden Hotel	300	75	−1	−.3
Yarden Hotel 5	145	150	n.c.	—
Yahalom	204	33	−1	−.5
Yahalom op	121	34	−16	−11.7

Computers

	Closing price	Volume IS1,000	Change	% change
Data	200	37	−10	−4.8
Hilon 1	574	—	−3	−.5
Hilon 5	950	—	—	—
Yafane	551	83	−61	−10
Yafane op	360	50	n.c.	—
Clal Comp	461	53	−5	−1.1
Clal Comp op	331	20	n.c.	—
M.L.L. 1	1400	3	−1	−.1
M.L.L. 5	520	5	n.c.	—
M.L.L. op	316	6	+6	+1.9
Mashov	240	50	+11	+4.8
Nikuv 1	278	63	+13	+4.9
Nikuv 5	155	194	n.c.	—
Nikuv op	133	s.o.2	−178	−11.9
Team 1	1300	21	−50	−3.7
Team op	1045	15	n.c.	—

Real Estate, Building

	Closing price	Volume IS1,000	Change	% change
Oren	189	175	−20	−9.6
Azorim Prop.	263	213	−12	−4.4
Azorim opE	200	443	−2	−1
Eilon	60	136	−2	−3.2
Eilon op	40	62	−1	−3.6
El-Ron 1	160	251	−3	−1.8
El-Ron 5	128	83	+1	+.8
Ammonim	159	s.o.1	−8	−5.1
Ammonim op	112	1	−2	−1.8
Africa Isr. 0.1	2672	14	+127	+5
Africa Isr. 1.0	2070	26	−50	−2.4
Arazim	149	10	−3	−2.3
Arazim op	145	1	n.c.	—
Arledan 0.1	850	110	n.c.	—
Arledan 0.5	245	31	+5	+2.1
Ben Yakar 1	199	39	n.c.	—
Ben Yakar op	215	12	−21	−8.9
Baranowitz 1	115	350	−14	−11.2
Baranowitz 5	88	s.o.1	−4	−4.8
Baranowitz op	66	200	−8	−10.8
Dankner	148	126	n.c.	—
Drucker 1	205	81	−20	−8.9
Drucker 5	100	99	−7	−7
Drucker op	86	99	−9	−9.5
Darad 0.1	1050	13	+40	+4
Darad 0.5	283	32	n.c.	—
Darad op	965	20	+25	+2.7
H.I.B. 0.1	455	62	−1	−.2
H.I.B. 0.5 r	164	261	n.c.	—
Property Bldg.	820	145	−10	−1.2
Bayside 0.1	950	80	−5	−.5
Bayside 0.5	686	26	+1	+.2
ILDC r	1640	30	−30	−1.8
ILDC b	—	—	—	—
Ispro	500	374	−27	−5.1
Isralom	412	s.o.1	−22	−5.1
Isras	545	197	−45	−7.6
Cohen Dev.	172	47	+1	+.6
Cohen Dev. op	79	5	−11	−12.2
Clal Real	130	787	−2	−1.9
Clal Real opD	—	—	—	—
Lumir 1	132	77	+12	+10
Lumir 5	61	303	n.c.	—
Lumir op	41	s.o.1	−3	−6.8
M.T.M. 1	5823	s.o.1	−307	−5
M.T.M. 5	4094	s.o.2	−215	−5
Bldg Res	77	s.o.1	−4	−4.9
Bldg Res. op	50	195	−2	−3.9
Modul	288	36	−14	−4.6
Mishnel	175	s.o.1	−9	−4.9
Menrav	75	155	n.c.	—
Menrav op	139	108	−18	−11.5
Mar-Lez	380	82	n.c.	—
Mar-Lez op	308	7	+38	+14.1
Levinstein 1	425	40	+10	+2.4
Levinstein 5	81	66	−8	−9.0
Leginstein op	62	—	—	—
Lifschitz 1	205	363	−20	−8.9
Lifschitz 5	116	382	−10	−7.9
Lifschitz op	98	336	−5	−4.9
Neot Aviv	5200	1	−100	−1.9
Azorim Prop.	465	157	−15	−3.1
Sahar Hold 1	443	98	n.c.	—
Sahar Hold 5	337	115	n.c.	—
Solel Boneh	846	84	−94	−10.0
Sahaf 1	235	104	−15	−6.0
Sahaf 5	159	70	+5	+3.3
Sahaf op	123	70	−2	−1.6
Afar Ye'Sela	680	69	+12	+1.8
Caesarea 0.1	174	300	+16	+10.1
Caesarea 0.5	65	375	n.c.	—
Rogovin 1	420	b.o.1	+20	+5.0
Rogovin 5	320	5	−51	−13.8
Rogovin op	114	b.o.1	+19	+20.5
Rassco p	531	116	−59	−10.0
Rassco r	525	143	−50	−8.7
Rassco op	500	5	n.c.	—

Agriculture

	Closing price	Volume IS1,000	Change	% change
Hadar 0.1	169	136	−1	−.6
Hadar 0.5	90	76	+5	+5.9
Hadar op	55	12	n.c.	—
Mehadrin	2020	11	−50	−2.4
Hadarim prop.	235	185	−25	−9.6
Pri-Or	610	5	−20	−3.2
Shenhar	127	139	−14	−9.9

Industrials

Food and Tobacco

	Closing price	Volume IS1,000	Change	% change
Atas	344	32	n.c.	—
Atas op	135	118	n.c.	—
Atlantic	78	120	—	−.6
Atlantic op	43	200	+8	+22.5
Gold Frost 1	190	55	−9	−4.5
Gold Frost 5	73	b.o.1	+3	+5.0
Gold Frost op	57	s.o.1	−3	−5.0
Dubek r	2727	23	−200	−6.9
Dubek b	2700	7	−300	−10.0
Sanlakol 1	487	5	−6	−1.2
Sanlakol 5	286	—	—	—
Sanlakol op	317	—	—	—
Pri-Ze 1	590	320	−17	−2.8
Pri-Ze 5	487	192	+5	+1.0
Pri-Ze op	299	200	+22	+7.9
Tempo 1	460	45	+40	+9.5
Tempo 5	380	48	+1	+.3
Izhar 1	394	121	−20	−4.8
Izhar 5	235	289	−22	−8.6
Man 1	1400	—	n.c.	—
Man 5	693	90	+63	+10.0
Sunfrost	558	68	+8	+1.5
Elite r	2350	42	n.c.	—
Assis	2500	—	n.c.	—
Shemen p	1700	11	+50	+3.0

Textiles and Clothing

	Closing price	Volume IS1,000	Change	% change
Ofis	128	50	n.c.	—
Ofis op	95	32	−8	−8.2
Baruch 1	420	42	−20	−4.6
Baruch 5	295	8	−25	−7.8
Baruch op	125	3	+4	+3.3
Alaska Sport 1	441	3	−44	−9.1
Alaska Sport 5	272	20	+25	+10.1
Eftan 1	58	726	−6	−9.4
Eftan op	44	59	+3	+7.3
Argaman r	820	13	−90	−9.9
Ata B 1	66	124	−1	−1.5
Ata C 0.1	64	1639	+3	+4.9
Ata op	32	2505	—	−1.5
Delta Galil 1	280	243	−30	−9.7
Delta Galil 3	178	99	−14	−7.3
Delta Galil	—	—	—	—
United Spinners	90	100	n.c.	—
United Spinners	62	128	−6	−8.8
Spinners op	49	400	n.c.	—
Vitalgo 1	133	149	−15	−10.1
Vitalgo 5	76	47	−4	−5.0
Wardinon	191	—	—	—
Wardinon op	156	—	—	—
Zikit 1	158	82	−17	−9.9
Zikit 5	71	165	n.c.	—
Tip Top 1	70	215	−1	−2.1
Tip Top op	47	35	n.c.	—
Yamar 1	399	15	−25	5.9
Yamar 5	no trading			
Ligat	181	92	+16	+10.0
Ligat op	62	437	+1	+2.5
Lodzia 0.1	143	16	n.c.	—
Lodzia 0.4	81	20	−10	−11.0
MIF Glico	281	20	+1	+.4
MIF Gloco op	140	140	−5	−3.5
Maquette 1	888	19	−30	−3.3
Maquette 5	300	166	−20	−6.3
Eagle 1	1165	16	n.c.	—
Eagle 5	1050	1	−10	−.9
Eagle op	1511	6	−79	−5.0
Polgat 0.1	2610	3	−290	−10.0
Polgat 0.4	1470	10	n.c.	—
Polygon r	171	116	−19	−10.0
Pargod	145	127	−25	−14.9
Pargod op	88	50	−11	−11.1
Schoellerina	640	88	−70	−9.9
Rogosin	104	183	−6	−5.5

Metals and Metal Products

	Closing price	Volume IS1,000	Change	% change
Octagon	284	92	−25	−8.1
Octagon op	272	—	+3	+1.1
Urdan 0.1 r	11631	14	n.c.	—
Urdan 0.5 r	905	30	−94	−9.4
Urdan op	791	28	−9	−1.1
Cables r	822	—	+14	+1.7
Cables b	no trading			
Hatehof 1	320	11	+10	+3.2
Hatehof 5	151	32	+1	+.7
Is. Can Corp 1	260	100	−10	−3.7
Is. Can Corp 5	245	48	+2	+.8
Sdom Metals 1	205	+30	+6	+3.0
Sdom Metals op	78	s.o.1	−10	−11.8
Zion Cables 1	1438	12	+20	+1.4
Zion Cables 5	261	697	−4	−1.5
Zion Cables op	—	—	—	—
Kadmani 1	167	821	−10	−5.7
Kadmani 5	110	927	−3	−3.1
Kadmani op	409	73	n.c.	—
Nechushtan 0.1	380	41	−8	−2.1
Nechushtan 0.5	231	157	−2	−.9
Nechushtan op	—	—	—	—
Arad	198	114	n.c.	—
Arad op	139	10	−1	−1.1
Pecker Steel	370	23	−10	−2.6
King 1	540	20	−5	−.9
King 5	300	24	−9	−2.9
King op	145	50	−5	−3.3
Kiil 1	365	10	−20	−5.2
Kiil 5	274	20	+25	+10
Shelados	540	50	n.c.	—
Shelados op	465	—	—	—
Lachish 1	500	30	−40	−7.4
Lachish 5	330	31	−21	−6.0
Lachish op	574	—	n.c.	—

Electrical Machinery Electronics, Optics

	Closing price	Volume IS1,000	Change	% change
Elbit 3 r	67850	152	−30	−.1
Elbit op	99600	2	−100	−1.0
Elco 0.1	390	51	−10	−2.5
Elco 0.25 r	227	126	−21	−8.5
Elco 0.25 b	255	7	+1	+.4
Electra 0.1 r	1500	17	n.c.	—
Electra 0.5 r	685	100	n.c.	—
Electra op 3	425	100	n.c.	—
Elron	66026	6	−974	−1.5
Arit	1770	62	−102	−.6
Arit op	1412	10	−178	−11.2
Clal Electronics	2040	199	−85	−4.0
Spectronix 1	2450	41	n.c.	—
Spectronix 5	2150	68	n.c.	—
Spectronix op	3690	—	—	—
Feuchtwanger 1	420	—	—	—
Feuchtwanger 5	300	10	−6	−2.0
Feucht. op	115	116	−32	−21.8
Cyclone 1	380	27	n.c.	—
Cyclone 5	184	64	−3	−1.6
Cyclone op	125	83	−15	−10.7
Katz Adler 1	209	30	−1	−.5
Katz Adler 5	107	20	−12	−10.0
T.A.T. 1	632	43	n.c.	—
T.A.T. 5	312	99	−2	−.6
T.A.T. op	590	44	−10	−1.7
Tedea	370	95	−38	−9.3
Tedea op	340	41	−33	−8.9

Building Materials

	Closing price	Volume IS1,000	Change	% change
I.P. Industries	142	185	−4	−2.7
Alkol	207	27	−23	−10.0
Alkol op	111	30	+1	+.9
Ackerstein 1	381	2	+1	+.9
Ackerstein 5	220	35	−21	−8.7
Tadir 1	750	67	n.c.	—
Tadir 5	330	29	n.c.	—
Barton 1	115	b.o.1	+5	+5.0
Barton 5	65	28	−3	−4.4
Barton op	58	40	n.c.	—
Hamaslul 1	125	212	−10	−7.4
Hamaslul 5	72	125	−3	−4.0
Hamaslul op	148	—	−2	−1.3
Tromasbest 1	2890	35	n.c.	—
Tromasbest 5	299	15	−28	−8.6
M.L.T. 1	5	+3	+2.1	
M.L.T. 5	92	40	+5	+5.8
Modul Ind.	109	s.o.1	−5	—
Wolfman 1	514	b.o.1	+24	+4.9
Wolfman 5	446	—	—	—

Chemicals, Rubber, Plastics

	Closing price	Volume IS1,000	Change	% change
Agan Chem. 5	900	42	−100	−10.0
Agan op	675	20	−45	−6.3
Alliance Tire	262	s.o.1	−14	−5.1
Gal Indus. 1	1100	15	−55	−4.8
Gal Indus. 5	337	21	−18	−5.1
Gal Indus. op	488	3	−15	−3.0
Dexter Chem.	209	s.o.1	−11	−5.0
Dexter op A	135	80	−11	−7.5
Fertilizer 0.1	2300	11	−234	−9.2
Fertilizer 0.5	840	28	−10	−1.2
Fertilizer op	610	47	−20	−3.2
Haifa Chemicals	1610	116	n.c.	—
Teva r	4100	29	−100	−2.4
Teva b	4480	—	—	—
Lipsky	410	6	n.c.	—
Lipsky op	330	—	—	—
Dead Sea r	1470	175	−90	−5.8
Petrochemicals	377	357	−10	−2.6
Maxima 1	170	157	−19	−10.1
Maxima 5	149	78	+7	+5.3
Maxima op	80	157	−4	−4.8
Neca Chem.	355	23	+1	+.3
Sano 1	570	64	−60	−9.5
Sano 5	442	69	−49	−10.0
Kedem Chem.	253	31.2	n.c.	—
Kedem Chem.	175	20	n.c.	—
T.G.L. 1	245	13	−27	−9.9
T.G.L. 5	131	54	−8	−5.7
T.G.L. op	83	s.o.1	−7	−7.7
Taya	420	59	−30	−6.7
Taya op b	186	23	n.c.	—
Frutarom	39	59	n.c.	—
Taro Pharm.	195	203	−16	−7.6

Wood, Paper, Printing

	Closing price	Volume IS1,000	Change	% change
Dafron 1	174	177	−4	−2.3
Dafron 5	112	81	n.c.	—
Dafron op	63	59	−7	−10.0
Haman 1	200	43	n.c.	—
Haman op	120	35	−2	−2.0
Yach 1	242	65	n.c.	—
Yach 5	162	12	−28	−14.7
Molett	1642	—	—	—
Paper Mills	11168	7	n.c.	—
Scandia 1	455	55	−25	−5.2
Scandia op	365	22	−34	−8.5
Rim 0.1 r	750	—	—	—
Rim 0.4 r	329	2	−6	−1.8
Ta'al B r	733	28	+5	+.7

Miscellaneous Industries

	Closing price	Volume IS1,000	Change	% change
Alumit 1	580	2	−20	−3.3
Alumit 5	380	—	—	—
Alumit op	505	—	—	—
Andin 1	815	23	n.c.	—
Andin 5	710	90	−40	−5.3
Andin op	376	40	−25	−6.2
Five J	356	121	−14	−3.8
Five J op	196	15	+20	+11.4
Zika 1	835	5	n.c.	—
Zika 5	670	8	n.c.	—
Zika op	979	4	−44	−4.3
Pollak 1	525	28	+5	+1.0
Pollak 5	265	78	−5	−1.9
Pollak op 1	183	s.o.1	−13	−6.9

Industrial Investment

	Closing price	Volume IS1,000	Change	% change
Central Trade	1230	43	n.c.	—
Koor p	207000	—	—	—
Clal Industry	326	1043	−15	−4.4
Clal Ind op C	1215	23	n.c.	—
Tech Res.	69	s.o.1	−3	−4.8
Tech Res. op	45	224	−3	−6.3

Investment Companies

	Closing price	Volume IS1,000	Change	% change
Unico r	504	27	n.c.	—
IDB Dev. r	890	805	−20	−2.2
Incoba 0.1	201	49	+11	+5.8
Incoba 0.5	110	110	−6	−5.2
Elgar r	790	13	+5	+.6
Elgar b	819	5	+20	+2.5
Ellern	938	126	−10	−1.1
Ellern b	938	61	−42	−4.3
Amissar	2800	4	−493	−15.0
Afik 1	6260	4	+60	+1.0
Afik 5	3350	7	+20	+.6
Afik op	9400	—	+200	+2.2
Israel Corp. 1	724	282	n.c.	—
Israel Corp. 5	341	135	−32	−8.6
Wolfson 0.1	3160	7	−40	−1.3
Wolfson 1 r	930	143	n.c.	—
Ampa r	860	136	−40	−4.4
Ampa op 1	1120	10	−100	−8.2
Hapoal. Inv. r	2701	7	−200	−6.9
Leumi Inv.	1110	336	−46	−4.0
Disc. Invest r	1530	547	−20	−1.3
Disc. Invest b	1580	—	—	—
Mizrahi Inv.	1095	6	−20	−1.8
Mizrahi 122	201	26	n.c.	—
Mizrahi 124	1035	62	+20	+2.0
Hiron 1	358	482	−6	−1.7
Hiron 5	80	699	−8	−9.1
Hiron op	49	195	−3	−6.7
Export r	565	26	n.c.	—
Export op	400	[illegible]	n.c.	—
Jordan Expl. 1	198	349	−2	−1.0
Jordan E. op	20490	—	+20	+.1
Clal 10	530	121	n.c.	—
Clal 50	292	155	−1	−.3
Landeco 0.1	450	38	+5	+1.1
Landeco 0.5	290	80	−10	−3.3
Landeco op	130	50	−10	−7.1
Magor 0.1	156	54	−2	−1.3
Magor 0.5	87	50	+8	+10.1
Magor op	no trading			
Oz Inv. 0.1	265	117	−15	−5.4
Oz Iv. 0.5	110	205	−10	−8.3
Paz Invest.	2520	96	−280	−10.0
Pama 0.1	630	65	−20	−3.1
Pama 0.5	260	92	−10	−3.7
Pama op	—	—	—	—
Piryon	196	681	+6	+3.2

Research & Development

	Closing price	Volume IS1,000	Change	% change
Clever Devices	164	250	n.c.	—
Clever Dev. op	89	46	+4	+4.7
Galil Tech. 1	157	162	+2	+1.3
Galil Tech. op	91	399	+4	+4.6

Oil Exploration

	Closing price	Volume IS1,000	Change	% change
Delek Explo. 1	890	335	−103	−10.4
Delek Explo. 5	594	s.o.1	−31	−5.0
Oil Expl. Paz	1240	75	+40	+3.3
Teroil 1	422	24	−47	−10.0
Teroil 5	147	106	−16	−10.1
Teroil op 1	106	999	−17	−13.8
J.O.E.L.	350	s.o.1	−18	−4.9
J.O.E.L. op 1	296	s.o.1	−18	−5.7
M.G.N. 1	306	b.o.1	+15	+5.2
M.G.N. 5	133	922	n.c.	—
M.G.N. op	87	217	n.c.	—
Seismica 1	340	116	+8	+2.4
Seismica 5	144	450	−7	−4.6
Seismica op	126	360	+6	+5.0
Fedoil r	270	42	+11	+4.3
N. Amer. 1	161	86	n.c.	—
N. Amer. 5	102	292	—	−.5
N. Amer. op	80	279	−4	−4.8
Naphta r	46000	—	—	—
New Stocks				
Inter-Gamma 1	320	167	−46	−12.6
Inter-Gamma 5	161	169	−9	−5.3
Inter-Gamma c	78	873	+17	+28.9
Gabelet	801	615	n.c.	—
Morgan	160	136	+2	+1.3
Morgan op	82	s.o.1	−8	−9.3
Oren	64	677	−6	−8.6
Ashkelon	96	1686	−10	−9.9
Ashkelon op	57	830	−12	−17.4

New York Stock Exchange

NEW YORK. – Stock prices closed lower yesterday. The Dow Jones Industrial Average closed at 1149.71, down 6.73 points. Volume was some 59 million shares. Overall losers led gaining issues by almost 4 to 1. On the most active list National Patent was 17⅛, down 4¾.

Commentary courtesy Shearson Clal Investment House Ltd
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D.J. Avg.	1151.06	-6.07
Transport	499.17	-2.88
Utilities	128.66	-0.62
Volume	64,876,200	
D.J. LIST		
Alcoa	33¼	-⅜
Allied Chem.	51	-⅞
Amer Brand	55⅝	+1⅛
Amer Can	43⅝	-¼
Amer Exp	31¼	-¼
Amer T & T	15⅝	-⅛
Beth Steel	21⅜	-⅛
Chrysler	22⅝	-⅜
Du Pont	49¼	-⅜
East Kodak	66⅛	-⅞
Esmark	51⅜	-1⅛
Exxon	42⅛	-⅜
Gen. Elect.	54⅝	-⅛
Gen Food	52⅝	+⅝
Gen Motors	63⅝	-⅜
Goodyear	25⅝	-⅛
Intl Bus	112⅛	+⅞
Intl Harv.	6⅝	-⅛
Intl Paper	50⅞	-⅜
Intl Nickel	11⅞	-⅞
Owens	33⅝	-⅛
Procter Gam.	48¼	+⅛
Sears	31⅛	n.c.
Std Oil Ca.	37⅝	-1⅛
Texaco	39	-⅛

Union Carb.	55	n.c.
United Tech.	65½	-⅛
US Steel	28	-⅜
Westinghouse	44¾	-⅛
Woolworth	36¾	+⅛
GOLD & SILVER		
Gold Fix	372.55	+.05
Asa Ltd.	60⅝	+⅞
Homestake	30	+⅛
ISRAEL SHARES IN NY		
Amer Is Paper	5⅝	-⅛
Ampal A	2¼	+⅛
Ampal Pfd.	6¼	7½
Alliance	3⅞	-⅛
Bio Tech	6½	6½
Electronics Ord.	13¼	13¾
Elbit	10½	n.c.
Elron Ord.	10⅞	n.c.
Elscint	15¼	-⅛
Etz Lavud	34	-⅛
Fibronics	9¼	9⅛
IDB Ord.	34	38
IDB Pfd.	—	—
Interpharm	5½	6
Laser Indus	14	-⅛
Scitex	18½	n.c.
Taro-Vit	2¼	2½
Teva	2¼	3⅛

هكذا من الأصل

Ari Rath
Editor and
Managing Director

THE JERUSALEM POST

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Editor

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Yes Comptroller

IT HAS become tedious to say so, yet it is true, that the State Comptroller's annual report, the 34th of which was released for publication yesterday, is a cry in the wilderness.

The present report is doomed to be even more ineffectual than the 33 that preceded it. This is because it appeared after early elections were resolved by the Knesset. That has virtually eliminated the two mechanisms through which the Comptroller's strictures have traditionally made themselves felt, however little effect they may have had in improving the country's public administration.

The first mechanism is, of course, the debate of the Comptroller's report in the Knesset State Control Committee. While the committee has no instruments and power to compel malfeasants in the administration to mend their ways, it can, within limits, call them to account and make them go through the unpleasantness of having to answer for their actions.

That is, even in normal times, no lever by which to move the world. With elections around the corner, most of the Comptroller's censures will long be out of date by the time they will come up for debate in the Knesset.

Much the same is true for the second mechanism which the Comptroller has traditionally, if informally, relied upon to make a dent, namely the arousal of public opinion through the media. Since the report was published after elections had already been announced, the Comptroller called off his press conference, at which he usually highlights the focal points of his critique.

After the elections, any discussion of the economic policies pursued by former finance minister Yoram Aridor are likely to appear as a futile exercise in debating ancient history. So may even the debate of the war in Lebanon, which finds little reflection in the Comptroller's report.

However, perusal of the Comptroller's reports over the years shows – as he himself points out again and again – that while policies, ministers and even governments change, the administration, with its defects and malpractices, remains the same.

There, at best, changes are glacially slow, and the record, sorry indeed.

The case against Kach

EARLIER this month a Jerusalem magistrate sentenced four members of the Kach Movement to prison terms of up to 120 days for unruly behaviour, trespassing and assaulting the police. Pointing out that the four had been engaged in denying the right of free expression to persons with whom they disagreed, Judge Uzi Sivan observed that the Kach Movement, led by Rabbi Meir Kahane, "explicity rejects the democratic character of the State of Israel."

Now Kach proposes to take advantage of the democratic right of free expression to run again in a general election.

Three years ago the majority of the Central Election Committee, disregarding the advice of its chairman, Supreme Court Justice Moshe Etzioni, allowed Kach to run. But because the list failed at that time to win a single Knesset seat, the question of its certification has now resurfaced. The present Central Election Committee, under Justice Gavriel Bach, is due to make its ruling soon.

Even if it receives the nod again, Kach is not likely to sweep the polls. There are not very many Israelis who will vote for the lunatic fringe group whose programme of clerical fascism calls for the establishment of an all-Jewish, Arab-free state stretching from the Nile to the Euphrates, in which a totalitarian version of Judaism will oust democracy as the form of government. But some Israelis *will* cast their ballots for Meir Kahane. And, in theory, he could, under the country's system of proportional representation, gain admittance to the nation's legislature.

Thus Israel's leading racist demagogue would gain parliamentary immunity – and possibly a sort of legitimacy – for the propagation of an obscene travesty of the Israeli creed.

But is this reason enough to bar Meir Kahane's list from running in the July 23 election? In a democracy, after all, the electorate is sovereign. Kach members may be indicted for violating the law by denying to fellow citizens the right of free expression, or for that matter by fomenting hatred between Jews and Arabs, or by endorsing terrorism. But so long as candidates to the Knesset are not required to subscribe to the principles of the Declaration of Independence, that requirement – so it could be argued – should not be made of Kach. The committee's decision in 1981 was, therefore, correct.

This, however, is not necessarily the law of the land. Nearly 20 years ago a majority on the High Court, in the so-called El-Ard case, laid down that even in the absence of a rule of positive law to that effect, the Central Election Committee was bound to deny approval to a list whose promoters sought to undermine the very existence of the state. That obligation flowed from the natural right of a state to self-defence, which might be said to transcend the constitution itself.

Although the court emphasized that its decision did not apply to attempts to change the state's internal political regime, it clearly indicated that the concept of "existence" embraced not only the Jewish but also the democratic character of the State of Israel. Speaking for the majority, the court's president, Justice Shimon Agranat, cited with approval a statement made by Justice Alfred Witkon in an earlier case:

"No free system of government will offer aid and recognition to a movement which aspires to undermine that very system of government...It has often happened in the history of states with well-established systems of democratic government that various fascist and totalitarian movements had converged upon them using the rights of freedom of speech, press and association, granted by the state, in order to conduct thereunder their destructive activities. Anyone who witnessed that process in the Weimar Republic will never forget the lesson."

The mere fact that the Kach Movement, unlike the Socialist List of 1965, is Jewish and not Arab should not induce the Central Election Committee to ignore the judge's admonition.

Campaign strategy for Labour

By SHEVAH WEISS

ONE OF the lessons that the Labour Alignment has learnt since the elections for the Tenth Knesset in 1981 is that it is not sufficient for the party merely to receive as many as or slightly more seats than the Likud. It needs substantially more, because of the problems of coalition-making.

On the one hand, the Alignment could not set up a coalition with the factions to the right of the Likud, and the religious parties, having tasted the fruit that coalition with the Likud can bear, certainly prefer that to the "traditional partnership" that existed during the first 29 years of the state. On the other hand, the Alignment could not pick as a coalition partner at least one party to its left, Hadash (the Israeli Communist Party), which is anti-Zionist. Thus the Alignment has many fewer potential coalition partners than the Likud, and it is much more dependent on its own performance in the elections than is the Likud.

Though, undoubtedly, the Alignment's ability to form a coalition after the July 25 elections will depend, to a certain extent, on how many votes its potential partners – such as Shinui, Ratz (the Movement for Citizens Rights and Peace), Weizman's Yahad list and Tami – can take away from the parties that make up the present coalition, the main onus for success rests on how many seats Labour itself can win. The pertinent question is what the Labour Alignment must do to maximalize its performance.

Some of the answers to this question are rather banal, but nevertheless valid:

□ It must ensure that its "safe" electorate will all be in Israel on July 23, and not vacationing abroad. There must be a monumental campaign, addressed to loyal voters, explaining the vital importance of each and every one of them being in Israel on polling day.

□ All other campaigning activities should be directed towards those groups in the population that are not members of the Labour Movement. It is amazing how much energy has been wasted in the past on converting the converted.

□ Fewer activists should work on campaign strategy in closed offices, moving around red, blue, green and yellow pins on maps and lists, and more should be out in the street, talking, explaining and convincing. It's not healthy to have a party headquarters humming like a beehive, while outside, where the real work ought to be done, it's as quiet as a graveyard. Rearranging coloured pins may give one a sense of importance and achievement, but generals cannot win wars unless there are soldiers in the field.

□ Party leaders should avoid small exclusive gatherings in private homes, where their presence is certainly appreciated but where the net benefit to the party is negligible. The leaders should be out reaching the masses through large-scale gatherings.

□ Special efforts should be concentrated on new voters, those who have come of voting age or have arrived in Israel since June 1981.

□ Pensioners who loyally voted Labour in the past should not only be brought to their polling stations, but also integrated into the election campaign before polling day.

□ Special efforts must be invested in reaching those who suffered economic and social blows under the Likud, but who do not necessarily believe that a Labour government will improve their lot. One such group is the Moshav Movement. It would be a great shame were these votes lost through negligence.

□ Before it is too late, the Alignment should do its best to prevent personalities who naturally belong in the Labour camp from running for the Knesset in separate lists. This atomization is not healthy, and could lead to many potential Labour votes being lost, either because certain lists will not pass the necessary minimal 1 per cent barrier or because the votes they receive above the number they need to get one or two independent seats in the Knesset will be left without representation.

Doing all of this – and more – will certainly win Labour a few more mandates. And those mandates could make all the difference.

The writer is a Labour MK and a professor of political science at Haifa University.

Dry Bones

READERS' LETTERS

CALLS FOR ELECTORAL REFORM

To the Editor of The Jerusalem Post

Sir, – Your scathing editorial of April 29, "Rogues' gallery", on the shameless behaviour of the Liberal Party members is all too appropriate. It was a scramble for 'safe places' conducted without regard for country, policy or plain decency. What makes this more than the parochial affair of a group of greedy office-seekers is that it is scandals of this sort that have helped drag the Knesset to its present low level of public esteem. Let the reader compare the Knesset with any of our other major public institutions, the army, the police, the press or the Broadcasting Authority, and ask himself which he respects more. The answers are painfully obvious.

All this fuels the growing anti-democratic sentiment in the country. The danger to the future of our democracy and hence to Israel itself is serious, because Israel cannot survive as a Hebrew-speaking version of our fascist neighbours for reasons to do with international support, our own self-image and motivation.

What happened at the Liberal Party conference could not have happened in a single-member direct election system. Then the Liberals would have had to face the public and be judged by the public under their own flag. They could not ride into office on the Herut coattails. Menahem Savidor would have had his own constituency with whom he would have had a personal one-to-one relationship and he could have run for office again. Our impersonal list system encourages machine politics and factional horse-trading.

That direct single-member constituencies can work well in Israel is proven by our municipal elections. As a result of direct personal mayoral elections, the quality of the average Israeli mayor is a lot higher than that of the average MK, and let it be said, higher than some cabinet ministers. Electoral reform in the direction of direct 'face-to-face' constituencies is now a matter of urgency.

J. JACOBSON

Herzliya.

SEIZURES

To the Editor of The Jerusalem Post

Sir, – In describing a visitor to Israel in his article of April 24, "Ordinary People," Ernie Meyer states: "He is well-built and one gets the feeling it wouldn't be wise to arouse his anger. Especially after hearing about his epileptic fits."

Does Mr. Meyer believe that anger, rage and violence are somehow the same as a seizure disorder? The term "epileptic fit" is moreover archaic and somewhat offensive.

Seizure disorders affect thousands of Israelis. Some have associated motor and/or intellectual handicaps, but most are students or gainfully employed citizens. No doubt a few lead quite distinguished lives.

Seizures, when they occur, may take a variety of forms, none of which is dangerous to other people. People carrying out violent acts against others may be suffering from uncontrolled rage, but they are not in the process of having a seizure. While exhaustion and severe stress may increase the frequency of seizures in an individual with a previously diagnosed seizure disorder, anger and seizures are not linked.

SANDRA W. MOSS, M.D.

Rehovot (Metuchen, New Jersey).

SLOW LEARNERS

To the Editor of The Jerusalem Post

Sir, – I refer to your report of April 30, "Slow learners do better in regular kindergarten," and would like to correct your conclusion.

I have not made any comparison between regular and "unusual" kindergartens. My research dealt with learners who were slow due to emotional and motor reasons and who attended regular classes.

My findings were that the help of a special teacher to those children had significantly improved their achievements and made their entrance to school smoother. This kind of help brought them to almost the same level as their peers to start school.

My research was carried in the municipal area of Hof-Hacarmel and included all the kindergarten pupils in the settlements of that jurisdiction.

Dr. ZIPORA SAAD,
Director Psychological Services, Kiryat Ata

Haifa.

EXPEL THE BLACK HEBREWS

To the Editor of The Jerusalem Post

Sir, – The so-called "Black Hebrews" were unceremoniously expelled from Liberia – a black nation. They came to Israel on tourist visas which have long ago expired. Therefore they are here illegally. They practice polygamy. And they contend they are "the real Jews" and we are imposters. In the face of these assorted whoppers, Mr. Yehoshua Kahana, of the Interior Ministry, is concerned that U.S. blacks will cause problems to U.S. Jews if Israel does what Liberia did – yet Israel must do exactly that and continue to do it until these lawbreakers conclude the expense of returning to Israel time after time is not worth it.

Mr. Kahana's concern lacks merit. However, a planned and energetic program of international information over the next three months, including some needed publicity on the arrivals of Ethiopian Jews in Israel, will finesse the possibility that worries him. That information effort must make sure that the world knows in advance that there are thousands of Ethiopian Jews in Israel and that the Israeli government is making great efforts to obtain the release of those remaining in Ethiopia. This will effectively defuse the issue.

Holon. *ROBERT GREENGARD*

SOUND ECONOMICS

To the Editor of the Jerusalem Post

Sir, — Allow me to commend *The Jerusalem Post* on its sense of decency and fair play in presenting the April 30 interview with Professor Ezra Sohar of the Atzma'ut Party.

It seems a shame that the money I pay in taxes goes to finance the election campaigns of all the profligate politicians presently sitting in the Knesset while a proponent of sound economics such as Professor Sohar must depend upon a generous public-spirited newspaper to provide him with the opportunity of making his programme known.

Motza. *BURTON RAVINS*

PENFRIENDS

BOB NAGEL (26), of 1034 Mt. Oliver Street, Pittsburgh, PA 15210, works for the U.S. Treasury and would like to have Israeli penfriends in order to learn more about our country. He collects stamps and is interested in politics and music.

EXPEL THE BLACK HEBREWS

To the Editor of Jerusalem Post

Sir, – For the past four years, the Committee of Concerned Citizens has spearheaded a popular grassroots movement in order to exert public pressure on politicians to change the electoral system. Now, when we are once more facing elections, everyone is talking about the absurdity of our system and why it should be changed. It is a great pity that former supporters of DMC and others, who have a penchant for putting pen to paper in favour of electoral reform, do not translate their enthusiasm into real action to make change possible.

Contrary to popular belief that the majority of MKs will vote against changing the system that brought them to office, CCC's lobby produced signatures from 57 MKs in favour of electoral reform. In recent interviews the Prime Minister, the Defence Minister and others have agreed that electoral reform is necessary.

It is up to us, the citizens of Israel, to ensure that electoral reform is part of the platform of every political party, and to act forcibly as soon as the Knesset reconvenes to ensure that election promises are kept.

ZELDA HARRIS,
National Director, CCC

Tel Aviv

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